

JPRS-EER-91-048
15 APRIL 1991

Foreign
Broadcast
Information
Service



A N N I V E R S A R Y
1941 - 1991

JPRS Report

DISTRIBUTION STATEMENT A

Approved for public release

Distribution Unlimited

East Europe

REPRODUCED BY
U.S. DEPARTMENT OF COMMERCE
NATIONAL TECHNICAL INFORMATION SERVICE
SPRINGFIELD, VA. 22161

DTIC QUALITY INSPECTED 3

19980204 083

East Europe

JPRS-EER-91-048

CONTENTS

15 April 1991

POLITICAL

ALBANIA

Legacy of Hoxha Policies Reviewed [Frankfurt/Main FRANKFURTER ALLGEMEINE 23 Mar]	1
Mixed Response to New Freedom of Religion [Frankfurt/Main FRANKFURTER ALLGEMEINE 26 Mar]	1

BULGARIA

Zhelev: East Needs New Marshall Plan [BTA]	3
Deputy Chairman Ganev on Constitution [TRUD 4 Feb]	4
Viewpoints of Fatherland Labor Party [BULGARIYA 9 Feb]	5
Threat to National Cohesion Viewed [DUMA 28 Feb]	6

CZECHOSLOVAKIA

Referendum as Solution to Parliamentary Crises [LIDOVE NOVINY 27 Mar]	8
Dubcek's Political Stance Criticized [LIDOVE NOVINY 8 Mar]	9

HUNGARY

Constitutional Court Head Views Pending Cases [NEPSZABADSAG 7 Mar]	10
SZDSZ Deputy Kiraly's Political Past Probed [A VILAG 30 Jan]	11

ROMANIA

Constitution Draft Called Antidemocratic [ROMANIAI MAGYAR SZO 13 Feb]	14
'Totalitarian' Aspects of Constitution Noted [22 1 Mar]	18
Domokos, RMDSZ Charged With Faulty Tactics [ROMANIAI MAGYAR SZO 16-17 Mar]	20
PUNR Statement on Minorities Attacked [ROMANIA LIBERA 30 Mar]	23
Skeptical View of Attack on Dissident Mazilu [ADEVARUL 8 Mar]	24

YUGOSLAVIA

U.S. Support to Premier Markovic Scored [POLITIKA 31 Mar]	25
Text of Joint Proposal on Future Yugoslavia [SLOBODNA DALMACIJA 25 Mar]	26
Spegejl on Croats' Readiness To Oppose YPA [DANAS 26 Mar]	28

MILITARY

BULGARIA

Preparations for Civil Defense Maneuvers Reported [TRUD 29 Mar]	33
---	----

HUNGARY

Parliamentary Committee Split on Border Defense [NEPSZABADSAG 7 Mar]	33
Shorter, More Demanding Military Service Starts [NEPSZABADSAG 6 Mar]	33

ECONOMIC

CZECHOSLOVAKIA

Government To Help 36 Endangered Companies	[HOSPODARSKE NOVINY 4 Apr]	35
Ministry Officials Report Privatization Problems	[CTK]	35

HUNGARY

Kadar Views Soviet Trade Developments	[FIGYELO 7 Mar]	35
Proposed New Banking Law Summarized	[FIGYELO 14 Mar]	37
New Banking, Privatization Adviser Interviewed	[MAGYAR HIRLAP 6 Mar]	38
Indemnification Vouchers: Legal Status Analyzed	[FIGYELO 28 Feb]	39
Smallholders Leader Urges Debt Rescheduling	[NEPSZABADSAG 7 Mar]	40

ROMANIA

ALFA Alternative for Recovery Examined	[ADEVARUL 29 Mar]	41
--	-------------------	----

SOCIAL

BULGARIA

Cabinet Allows Inflation Compensation for Students	[DUMA 2 Apr]	43
--	--------------	----

HUNGARY

Schools Said To Lack Funds, Good Managers	[NEPSZABADSAG 7 Mar]	43
---	----------------------	----

ALBANIA

Legacy of Hoxha Policies Reviewed

91BA0433B Frankfurt/Main FRANKFURTER
ALLGEMEINE in German 23 Mar 91 p 5

[Article by Viktor Meier: "The Difficult Struggle Against the Shadows of Enver Hoxha: Albanian Leadership Has Problems With Demythologization"]

[Text] Tirana, 22 Mar—In most Eastern European countries the democratic revolution had to fight living Communist leaders, but in Albania it is struggling against a dead man—Enver Hoxha, who died in 1985. Today many in Albania call him a tyrant and autodidact with pathological tendencies. But to most apparatchiks he remains the symbol of the system and thus of their own power; furthermore, he is a sort of myth to many.

Hoxha succeeded in wrapping himself in glory as the father of his country and defender of Albanian independence; he left the dirty work to henchmen like Kapo (who died in 1978, allegedly of natural causes) and Prime Minister Shehu (who died in 1981, probably not entirely naturally). For decades Hoxha's system of a totally collectivized economy and society, autarky, and national isolation even found admirers in the West.

The opposition parties, particularly the Democratic Party, do not find Hoxha an ideological or political problem. They condemn his system openly and in all respects. They want to open Albania up to Europe and the world; they want to privatize agriculture, trade, and industry; they want to eliminate the administrative restrictions that prevent Albanians from moving from the countryside into the cities; and they also want to end the ban on abortions. The Republicans are somewhat less radical, but in principle they feel the same way. The political opposition did not have anything directly to do with the mass demonstration on 20 February that ended with the destruction of Hoxha's statue in Tirana, but they are shedding no tears over what the regime calls an "act of vandalism."

Hoxha is a problem for the Communists, and in Tirana it is becoming clear that he is a very difficult one at that. The apparatchiks who oppose recent developments, particularly in the provinces and above all in the region that Hoxha came from, the south, cling to his shadow. With them are the officers under Defense Minister Mustaqi who, since the 20 February incident, obviously want to seize control. They make no effort to conceal their hostility to Ramiz Alia's liberalization program. The military, above all the elite unit, the Guard, guards public buildings in Tirana. Officers have pledged their loyalty to Ramiz Alia but no one can be certain of that pledge. Many Albanians in the opposition and in the ruling party fear a coup in early April if the Democratic Party wins the elections. The situation is similar to that in Yugoslavia and the USSR.

So far state and party leader Ramiz Alia has withstood the dogmatists' attacks and pushed his reforms through party and state bodies. The 20 February incident was an embarrassment for him. The law punishing those who have damaged "culturally significant monuments" is not, as many in the West suspect, repressive in intent; rather, it represents an effort to deprive the dogmatists of any excuse to step in. Nobody in Albania believes that those convicted under this law will serve out their sentences.

Senior leaders of the now reformist party admit privately that Hoxha's role must be "discussed" within the party. Perhaps they were too hasty in building the museum for him (it is now "temporarily" closed). The current party leadership wants to put an end to Albania's isolation. They admit that Hoxha "held back" the country's development. His agricultural policy was a mistake. Sixty-five percent of the Albanian population lives in the countryside, but the country cannot feed itself. It was crazy, say current leaders in private, to strive for autarky in food production, to plant wheat in the plains and banish other crops to mountainside terraces constructed at great effort. Grain purchases cost about \$100 million annually, and it would have been better, they say now, to plant export crops and import wheat, which grows poorly in Albania. The total confiscation of all livestock in 1981 was a catastrophe which Hoxha considered the culmination of Socialism. This has been partially undone; every farmer is officially allowed to raise two sheep, one cow, and some chickens. Most have more.

The Communist leaders believe that if the isolationist policy gave Albania its omnipresent little pillboxes, it also created the information vacuum that the country pays for with silly rumors causing mass flight. When asked why the current reform Communists, too, supported Hoxha's system for years, they respond that they were victims of that policy, were not able to get their bearings, and were constantly threatened by repression and terror. Anyone who complained about the bad food, say many Albanians, would disappear for months or years into the camps or prisons. Intellectuals were suspect on principle. At the core of this system lay the Sigurimi, the secret police. It is still around but no longer shows itself so openly, at least in the large cities. Calling for the separation of state and party, the Sigurimi is seeking to avoid control by the now reformist Communist party leadership. That produces as much uncertainty as gain. Representatives of the new leadership say that Ramiz Alia must fight a difficult and likely dangerous battle on two or even more fronts; they ask for understanding also from the West.

Mixed Response to New Freedom of Religion

91BA0433A Frankfurt/Main FRANKFURTER
ALLGEMEINE in German 26 Mar 91 p 7

[Article by Viktor Meier: "What Takes One Person's Breath Away Is Too Slow for the Other: Religious Life Revives in Northern Albania; Christians and Muslims Push for Change"]

[Text] Tirana, 25 March—It is in Shkoder that one sees Albania's political and religious renewal most clearly. In the Catholic cemetery on the outskirts of Shkoder a priest named Jubani—since November a symbol of his revived church—is celebrating Mass. He is standing in the raised entrance hall of the chapel, around which the old cypress trees form a harmonious circle; one is struck by the number of young people among the congregation, but there are also women from the highland villages in traditional costume, artificial locks of hair peeking out on each side from under their white headscarves. It is Palm Sunday; the people hold laurel branches in their hands. The religious renaissance is only a few weeks old but already an astonishing amount has been accomplished. The chapel has been renovated. An altar was found in the Museum of Atheism; it had been closed for years and has now been liquidated entirely. The largest opposition party, the Democratic Party, has moved into it. Don Jubani, as he is now known, has to read the text of the Mass from books that came from Kosovo. He was in prison for 27 years and only survived the ordeal thanks to his robust condition as a former soccer player. They still cannot hold services inside the cathedral, which had been converted into a gymnasium, but it has been returned to the church and has even been reconsecrated. The Franciscan church, almost as large as the cathedral, still houses a movie theater, but the seminary, which once housed a high school, is being renovated and workers have begun to demolish the half-built theater between the church and seminary.

In 1967 the Enver Hoxha regime banned the public exercise of religion in Albania and declared the country the "first atheist state in the world." Today even the Communists admit this was "nonsense." A new law on freedom of conscience has been passed, churches and mosques are being given back throughout the country, and the priests and imams are reassembling their old flocks and many new adherents as well. "We want everything the way it was," says Don Jubani. Sometimes one gets the feeling that he would like a bit more than that. "If the Communists don't accept our demands, they won't be able to join Europe." He wants a seminary for priests, because the 32 priests, most of whom have been in prison ("Only the ones who kept silent were spared," says Jubani), are all old and weak. The same is true of the sole bishop, Trochani, whose official title is apostolic administrator for the Archdiocese of Durres and the Diocese of Lezha. The Vatican wants to name a bishop for Shkoder, the center of Albanian Catholicism. Jubani, recently returned from a lengthy visit to Rome, where he was received by the Pope, would like to see some priests brought in from Kosovo. Clearly things are going too slowly for him, even though for other people the changes in Albania are enough to take their breath away. Last week Monsignor Celli, the Vatican's deputy foreign minister, visited Albania to speak with the country's leaders about returning churches, the church's freedom to function, including religious instruction, and even the establishment of diplomatic relations. "That will happen in about a year," says Jubani. The visitors from the

Vatican visited Shkoder on Wednesday, celebrated a Mass in the newly reconsecrated cathedral, and sought to encourage their priests.

Without Mother Teresa, who is Albanian, although she comes from Skopje in Macedonia, things would probably have been more difficult to arrange. It appears that Mother Teresa, whom the regime views as a figure of national prestige, would like to spend some time in Albania; she has even opened a house in Tirana with some sisters. Last week she was the first speaker at the reopening of the tekke of the Muslim Bektashi order on the outskirts of Tirana. The Bektashis, one of Islam's nine dervish orders, are closely linked with the Albanian nationalist movement; one of the founders of that movement, Naim Frasheri, was a Bektashi. The order was popular among the Janissaries; when they were wiped out in 1828, the Bektashis found themselves in opposition to the Ottoman Government, supported Albanian nationalism, and became very popular in Albania. In 1925 when Ataturk banned and persecuted the Bektashis in Turkey, many of them came to Albania and moved the order's world headquarters to Tirana. There are still a few babas, as the leaders of the order are known; they, too, were all in prison. A new dede, or supreme leader, needs to be elected. The tekke, a combination mosque and dormitory for the "higher" members, had been turned into an old people's home; it has just been vacated, so the celebration, attended by almost 1,000 people, had to be held outdoors. The babas' speeches emphasized two points: first, Albanian patriotism, second, the unity of religions. The Bektashis have borrowed elements from non-Muslim religions, and they attempt to tie everything together.

With its broad streets, coffeehouses, and handsomely restored main street, Shkoder is probably the most European city in Albania. Its ties with Italy in particular are still apparent. Today the city is considered the center of the political awakening and democracy. On 4 November of last year young people sought out Jubani at his brother's house, where he had been living since his release from prison in 1986, and persuaded him to celebrate Mass at the cemetery. It was attended by 4,000 people; on 11 November 50,000 attended. "We won our rights ourselves," says Jubani. On 13 December mass demonstrations broke out. The bust of Enver Hoxha was overturned; Shkoder was showing the way. The Muslims were in the vanguard as well. The new mufti—he, too, spent years in prison—praises the young people for their courage. He says that 70 percent of Albanians are of Muslim descent; 20 percent, particularly in the south, are Orthodox; and 10 percent, in the north around Shkoder, are Catholic. Based on the latest census, the Catholics would probably number 300,000. The mufti knows of 10 to 20 imams still alive; in several cities Muslims have been able to reopen their closed mosques. Interestingly enough, this was not the case in Gjirokastra, the birthplace of Enver Hoxha. Muslims proposed forming a Party of Religious Freedom with the Catholics but that idea foundered on the shoals of the bureaucracy and the skepticism of the Catholic clergy.

People expect the Democratic Party, the current opposition party, to win a convincing victory in Shkoder, which will elect seven members of Parliament. The party's leader in the city and district is named Abnori; he studied literature at the university and is an impressive leader and a man of strong views, who attempted to found a social-democratic party in 1961 and spent 29 years in prison as a result. "And those prisons are not like the ones where you come from," he says. The party is campaigning with elan, while the Communists are still unpopular. The same Communist Party secretary who was barely willing to speak to the students in December is still in office. In Shkoder the opposition is taking a clearer and tougher line than in Tirana, the capital; local leaders do not share a common past in the nomenklatura and are not accepting invitations for visits abroad during the campaign. They are fighting hard despite a lack of resources. The 19 candidates in the district share a single car, and yet it is particularly important to campaign in the villages because that is where the Communists are still most powerful.

BULGARIA

Zhelev: East Needs New Marshall Plan

AU1104072891 Sofia BTA in English 2107 GMT
10 Apr 91

[Text] Sofia, April 10 (BTA)—Bulgaria's president believes that Eastern Europe needs a new Marshall Plan. "The changes underway in the Republic of Bulgaria clearly show its European nature and orientation. Bulgaria belongs to Europe not only on the strength of its geography and history, but also politically and culturally," Bulgaria's President Dr. Zhelyu Zhelev said, addressing the Global Panel meeting in Amsterdam today.

In his speech the president stressed that the individual East European countries differ in the pace of the democratic processes because of their different historical backgrounds, the state of their economies and the political and legal awareness of their peoples. Opting for a quick economic transition, Bulgaria has embarked on the road of democracy fully aware of its responsibility.

Dr. Zhelev stressed that Bulgaria's transition from totalitarianism to democracy is notable for its peaceful character, thanks to the local politicians' wisdom, Bulgarians' ethnopsychology and the confidence which the nation puts in the ongoing changes.

Bulgaria's president said that the democratic changes in this country have caused a radical shift in the foreign policy priorities. The top priority now is the European process of integration within the CSCE, the Council of Europe and the European Communities. Dr. Zhelev discussed Balkan cooperation in the light of Bulgaria's universal integration.

Dr. Zhelev stressed that the elimination of the military structures of the Warsaw Treaty Organization has prioritized the European system of collective security and the need of a European agreement on collective security in the framework of the CSCE.

Dr. Zhelev singled out as an essential element of Bulgaria's foreign policy the establishment of a new type of bilateral relations with the East European countries and the Soviet Union, based on equality and mutual benefit.

Dr. Zhelev analysed the rapid changes in Eastern Europe last year. He pointed out that 1989 marked the beginning of the disintegration of the world communist system, then Eastern Europe headed for the West European and world standards in politics, economics and culture. The East European countries are implementing the same strategy: democratic constitution, democratic legislation, democratic government institutions, market economy, civil society, full respect for human rights and pluralism in culture. According to Dr. Zhelev, the crisis of totalitarianism had been brewing for a long time and the ideas of Soviet "perestroika" were enough to spark democratic changes when the East European nations took their destinies in their own hands. Dr. Zhelev stressed the role of the West in speeding these reforms.

The changes in Eastern Europe made it possible to establish a new European political and economic order. "The speed and simultaneity of reforms in Eastern Europe surprised even the greatest optimists," President Zhelev said. But new Eastern Europe is not necessarily a perfectly democratic Eastern Europe.

Eastern Europe is now in a post-totalitarian period. According to Dr. Zhelev, in this stage of the transition from totalitarianism to democracy, the old structures are not fully dismantled while the new structures are not built everywhere. Or rather, the political system of parliamentary democracy is concurrent with the centralized state economy and this discrepancy between the pluralistic political superstructure and the monopolist economic base generates social contradictions which cannot always be controlled and thus dangerously undermine social stability. This problem is particularly grave in those East European countries where the democratic opposition lost the parliamentary elections.

President Zhelev further discussed the complicated international situation at the time of the reforms in Eastern Europe: The war in the Persian Gulf, the crisis in the international money markets, the disintegration processes in the Soviet Union and Yugoslavia, the falling apart of Comecon. According to Dr. Zhelev these external issues are slowing down the processes in Eastern Europe and are aggravating certain negative trends in them, such as growing ethnic-based nationalism, increasing unemployment, temporary mass impoverishment, declining birth rates, a large rate of migration and black marketeering. Dr. Zhelev believes that these are the growing-pains of the transition and stressed that they should be relieved by lots of democracy and a greater

economic stability. Bulgaria's president emphasized that the West should by all means aid the East European nations. It should help them get integrated into the structures of the Western world because otherwise the natural progress of the Western countries will be interrupted. Dr. Zhelev believes that the East European countries badly need a new Marshall Plan.

Deputy Chairman Ganev on Constitution

91BA0381A Sofia TRUD in Bulgarian 4 Feb 91 pp 1, 4

[Interview with Gin'o Ganev by Maya Pangelova; place and date not given: "The New Constitution—Political Will and Civic Wisdom?"]

[Text] [Pangelova] Mr. Ganev, what is your assessment of the work done so far by the commission on the drafting of the constitution, inasmuch as you are, in addition to everything else, its chairman?

[Ganev] Until recently, its work was being done by various subcommissions (nine altogether), for which reason any evaluation of the work was, above all, quantitative—who had done how much on the individual titles of the future constitution. Now the full commission membership is meeting regularly. Such sessions are totally open, and journalists will be able to develop their own views on the course of the drafting of the constitution. I believe that the work rhythm is good, which means that it has been accelerated. We have entered the heart of the discussions, and I believe that we shall be able to submit to the Grand National Assembly the expected draft of the new constitution. To this effect, a triple prerequisite must be met: competence, an above-party way of thinking, and a striving for consensus.

[Pangelova] How many constitutional drafts have already been submitted, and by whom?

[Ganev] I must expressly emphasize the exceptionally great interest, which also means the social expectation, related to the work on the constitution. Many complete versions of a new constitution were received by the Grand National Assembly. Most of them were drafted carefully, with profound knowledge and a feeling of responsibility for the country today. Let me cite as an example the drafts submitted by the parliamentary groups of the Bulgarian Socialist Party, the Bulgarian Agrarian National Union, the Bulgarian Social Democratic Party, the Nikola Petkov Bulgarian National Agrarian Union, and independent drafts submitted by people's representatives Nikolay Pavlov, Velko Volkanov, and Yanaki Stoilov; a group of constitutional law experts; private citizens such as Tsonyu Danev; and so forth. Many suggestions have been received on partial interpretations of some individual constitutional stipulations.

[Pangelova] Could you tell us which social relations or which texts that regulate them are the most debatable in these drafts?

[Ganev] I shall answer you more cautiously so that a clearer idea may be gained about the thinking of the public, as reflected in the various constitutional drafts. Most of them proceed from similar concepts regarding the future fundamental law. The purpose appears to be the same in all drafts: the creation of constitutional prerequisites for the democratic development of society, and for Bulgaria to be a democratic parliamentary republic.

The basic concepts of the civil society will be developed in the general constitutional stipulations, and here, as well, the fundamental principle of the people's sovereignty will be made clear, thus determining the nature of the power and acting as the foundation of all democratic institutions. We are all in agreement that man and his rights and dignity will be considered the highest value of society, and, therefore, the main concern of the state.

Unquestionably, the principle of the separation of powers must imbue the entire content of the constitution. The various constitutional texts will provide ideas and guarantees for the law-governed state and political pluralism.

Debatable, in the good meaning of the term, is the problem of the economic foundations of society. In the present Constitution, economic relations are grouped in a separate title in rather substantial detail. This has hindered the development of legislation in this dynamic area. That is why the view has been persistently expressed that the constitution should settle only matters of forms of ownership and the principles of state economics: free economic initiative, competition, prohibition of monopoly activities, and so forth.

Possibly, immediately after the general stipulations, the fundamental rights and freedoms of the citizens will be listed—natural, personal, political, socioeconomic, and cultural. They will be based on the universally acknowledged international acts and, which is more important, will be given real constitutional guarantees for their exercise and safeguard. At this point, we should emphasize the very essential intention for the constitution to be made a direct functioning law, so that every citizen could refer to it without the need for specific laws dealing with human rights.

The system of state organs, in harmony with the principle of the separation of powers, will be set up in three independent areas: legislative, executive, and judicial.

It would be logical to pay due attention to the president, who is a new institution in our constitutional history. The predominant view today is that the country needs a president who would combine (in a certain sense) the different powers and will be (again in a certain sense) the umpire among them, and who will express the unity of the people and bring stability in the administration of the state. In this connection, we are considering the suggestion that the president be elected directly by the population. Naturally, these are only brief outlines of the functions of the president as the head of state. His

relations with the government and with parliament will be very specifically stipulated in the future constitution.

There are interesting differences concerning the so-called constitutional control. No one questions the need for an authority to exercise such control. The question is whether it should be a constitutional court or a council, or whether this function should be entrusted to the country's supreme court. Another unanswered question is that of the range of such control, whether it should apply only to the laws or should extend also to the acts of the president and the government.

Do you realize the importance of the future constitutional regulation of the local state organs? The municipality will be the basic structure of local self-government. However, we are considering whether, after that, there should be oblast administrators (prefects) who would be appointed by the government and would be the government's representatives in these territories.

Apparently there is no longer any doubt that an independent judiciary would include both the courts and the prosecutorial and investigative authorities. There is strong emphasis on the need for total judicial control over all administrative acts issued by all authorities, including the Council of Ministers. In this connection, the question is being discussed of having a supreme administrative court, like the one we had until 1949. The strongest predilection is expressed for the restoration of the so-called tri-instance court system—that is, to have a basic court, an appellate court, and a supreme court of cassation.

[Pangelova] In your typical style, you reminded the commission's members that both the future constitution and the debates on the draft constitution should be shorter. Is the deadline of 20 February realistic for the commission to submit the definitive draft for discussion by the Grand National Assembly?

[Ganev] I am not the only one to ask for the discussion by the commission to be more concentrated and show greater mental discipline. In that case, it would be bound to be shorter and more effective. This is possible because I think that, in the parliament, as well, the wave of general and lengthy, but not always pertinent, speeches is over. I am certain that soon the molding of the individual constitutional texts will be undertaken. I deliberately use this verb because, in the drafting of a constitution, there is, in addition to a clear political will and civic wisdom, a molding skill and, believe me, beauty. With a tremendous deal of effort, it is both possible and realistic to submit to the plenary meeting of the Grand National Assembly, before the end of this month, the completed overall draft of the new constitution.

Let me once again invite Bulgarian journalists, through you and through the newspaper TRUD, to participate in a lively, direct, and competent way in the work on the draft.

Viewpoints of Fatherland Labor Party

91BA0383A Sofia BULGARIYA in Bulgarian
9 Feb 91 p 6

[Unattributed article: "Position of the Fatherland Labor Party on Some Topical Problems of Our Sociopolitical and Economic Life"]

[Text] The worsening of the economic crisis and the steps taken by the government under the existing circumstance make it necessary for the Fatherland Labor Party [OPT] to express its viewpoint on a number of important and topical problems.

On the Political Agreement

OPT is extremely concerned over the fact that the agreement that was signed by the political forces is not being honored and implemented. Its essential spirit is being ignored; the parliament is not being guided by its stipulations, and, instead of resolving basic problems, the reason for which it was elected, it is discussing isolated matters such as the study of Turkish in Bulgarian schools starting in the middle of the school year.

Nothing has been done in terms of preparations for holding municipal elections (in February) and parliamentary elections (in May).

The government freed (liberalized) prices, though lacking the necessary conditions to this effect and, in particular, without passing the law of privatization and foreign and joint investments.

For that reason, OPT believes that a new agreement must be concluded that would state clearly and categorically whether there will be elections, and whether the Bulgarian Republic will obtain its constitution and the most important laws that would guarantee its future socioeconomic development.

On the Social Minimum and Wages

OPT believes that the minimal wage must equal the specified social minimum.

Wage indexing should be differentiated. For minimal wages, it should be total; for wages within range of the social minimum of up to 11,000 leva, it should be lower; and wages in excess of 11,000 leva should not be indexed.

Wage compensations should be tax free.

On Savings

The citizens' savings should be protected. For that reason, they must be compensated within the 1:3 coefficient, as follows:

- Savings of 5,000 leva or less, 100 percent.
- Savings that do not exceed 10,000 leva, 50 percent.
- Savings that do not exceed 30,000 leva, 25 percent.

No compensation should be paid for savings in excess of the last amount. Deposits made by citizens for automobile and house purchases should be compensated 100 percent.

On Interest Rates Earned From House-Purchasing Savings Accounts

OPT believes that encroaching on savings accounts for the buying of housing by the citizens is inadmissible. In addition to compensations, the state should allow the DSK [State Savings Bank] to function as an independent institution unrelated to the BNB [Bulgarian National Bank], based on the principles of mutual-aid institutions. In that case, the interest rate earned from deposits could be 3 percent, and that of house-purchasing loans 4.5 percent. This would provide the DSK with adequate funds for self-support and for developing additional activities without grossly harming the citizens. At present, loans granted for housing construction exceed the amount of deposits by 1 billion leva; this amount could be balanced by establishing a special fund in which deposits for housing construction would be made by the ministries, departments, municipalities, and so forth. The funds from taxes on the sale of completed housing, to the extent to which they exceed the current 8-percent rate, should be deposited, as well. This would guarantee that even the socially weak population strata would be able to acquire housing.

Ending Loans to Losing State Enterprises

OPT believes that, under the present system, it is very difficult to determine which specific enterprises are working at a loss. To this effect, first of all, a price reform must be carried—but only after the process of privatization has been started to determine whether some production facilities should be closed down. Otherwise, [words missing as published] the parallel economy, with a gradual merger with the private sector.

On the Development of Free Economic Zones

OPT believes that free zones should be developed as rapidly as possible. This would require the passing of a law to this effect. OPT considers free zones a prerequisite for the fastest and most efficient enhancement of labor productivity, personnel skills, quality of services, and employment. The best variant would be for the entire country to become a free economic zone.

On Pensions

All pensioners should be granted equal rights to work without any restriction whatsoever.

The pensions should be increased on a differentiated basis—the minimal by 200 leva and the maximal by 100 leva.

On Student Scholarships

OPT believes that scholarships should be classified into two categories: social student scholarships, equal to the social minimum, and the social aid given to the needy.

On Sponsorship and Philanthropy

Legislation must be passed as soon as possible on matters of sponsorship in the areas of sports, culture, and philanthropy. Such a law should stimulate said activities by granting tax advantages.

On Science, Education, and Culture

OPT believes that the state must support the development of science, education, and culture as a prerequisite for establishing the possibilities of the nation's spiritual potential.

On Housing for Military Personnel

Until 1990, military personnel held unequal positions in terms of the possibility of purchasing their homes. This right had been granted only to people over 45. After the correction of this obvious injustice, it would be entirely suitable to allow them to purchase the housing allotted to them, at the old prices, as part of the program for meeting their social needs as full Bulgarian citizens.

On Farm Loans

OPT believes that loans granted for farming and cattle breeding, and to companies involved in the food industry, should enjoy privileged interest rates with a view to creating better conditions for surmounting the most terrible consequence of the crisis—hunger.

The OPT leadership made these party views known to the mass media at a press conference held on 7 February at the Sofia Press Agency. The journalists were also informed about the international activities of OPT and received exhaustive answers to their numerous questions.

Threat to National Cohesion Viewed

91BA0387A Sofia DUMA in Bulgarian 28 Feb 91 p 4

[Document from the Academic Forum for National Policy addressed to the VNS [Grand National Assembly], the presidency, and all political forces: "The Danger of the Breakdown of the Nation and the State Has Not Passed"]

[Text] On behalf of our 300 members, as a free nonparty group, thinking of the peaceful development of the country in the transition from a totalitarian to a democratic system, the Academic Forum for National Policy deems necessary, considering the latest development of interethnic relations in Bulgaria, once again to express its concern, directing attention to the following:

Ever since we were founded (July 1990), we have considered as being extremely necessary the democratization of the country and support for all measures aimed at the stabilization of this process. Our fixed position is the concept that only profound democratic changes in Bulgaria can lead the country out of the crisis and open the way to its becoming part of European civilization. To achieve this task, which is the main one for the nation, we consider mandatory the need for a lasting resolution of interethnic conflicts in the country and the elimination of confrontation and the threat of disintegration of the nation and the state. At the same time, we are forced to note, with deep concern, that some political forces are deliberately and steadily twisting and ascribing a speculative nature to this process, while the VNS [Grand National Assembly] and a number of state institutions are yielding to their pressure and facilitating their objectives. In our view, the main reason for ethnic tensions after 10 November and to this day has been the policy of the state itself, which has been stubbornly ignoring the national problem instead of suggesting ways of resolving it, thus steadily nurturing the tensions themselves.

In this connection, the Academic Forum deems it necessary to state the following:

1. We welcome and unreservedly support the decision to restore the names of Bulgarian citizens of the Islamic faith and their full religious and human freedoms. At the same time, we have repeatedly pointed out that, with its resolution of 29 December 1989, the Central Committee of the former BCP [Bulgarian Communist Party] remained loyal to its totalitarian principles, ignoring and failing to take into consideration the honest efforts of generations of Bulgarian scientists, aimed at clarifying the historical truth concerning Bulgarian Muslims and, applying a way dangerous to the country, for the sake of narrow party objectives, doubly discrediting these efforts—once in 1984-85, with the change of names and, the second time, with its 29 December 1989 resolution and panicky refusal to consider the truth.

2. We also consider as being dictated by narrow party objectives the legitimizing of the DPS [Movement for Rights and Freedoms] during the electoral campaign in 1989-90.

3. Our assessment concerning the Law on Names, which was passed by the VNS in November 1990 in accordance with the religious and historical traditions of Bulgarian ethnic communities, is in its essence positive. Nonetheless, we consider unacceptable in terms of the interest of the country the amendment adopted by the VNS on introducing an almost alien system that conflicts with our naming traditions based on the principle of nicknames rather than clans, which could be considered not as a restoration of human rights but as the adoption of an alien standard.

4. In this connection and in connection with a number of other facts we shall enumerate subsequently, the Academic Forum for National Policy has steadfastly, since it

was founded, supported the view that the right to cultural identity is not the same as the right to a cultural minority identification and the pitting of cultures to which said resolutions of the VNS unwittingly lead.

5. We consider as a positive fact the publication of newspapers in the Turkish language in the hope that, with their help, efforts will be made to consolidate our society. At the same time, we are gravely concerned by many articles published in these newspapers, which negativistically emphasize past actions that divided Christians from Muslims, thus creating examples of Muslim martyrs and sufferers (see PRAVA I SVOBODI, No. 1) and indirectly instilling an antithetic concept of the Bulgarian people as a tyrant. Some of these articles have also been published in Bulgarian newspapers and have quite zealously tried to instill a feeling of moral inferiority in the Bulgarian people. We draw attention to the article by Zlatko Angelov in the 24 October 1990 issue of VEK 21 in which gross attacks are aimed at the Bulgarian people and interethnic conflict is openly promoted: "Bulgaria is still unfamiliar with what took place during the dark nights of the icy winter of 1985. However, there are among us in Bulgaria people who know and remember. They are the "violated Turks and the Bulgarian violators." According to the logic of this caveman's thinking, the question of its opponents (something that happily is not found in the Bulgarian press) should be the following: The Bulgarians will not quiet down until the Turks receive (not for five years but for five centuries) retribution for the violence they have committed against the Bulgarians.

6. The Academic Forum for National Policy considers an inadmissibly coarse form of pressure some of the statements made by Mr. Akhmed Dogan at his press conference and in press interviews. We are concerned about the fact that the provocation in his interview given to the newspaper 168 CHASA caused no reaction on the part of the political forces, despite its anticonstitutional content to the effect that "the DPS is experienced in clandestine struggle, as well," and that "its nonadmission to elections" will not remain without consequences. We also consider a form of pressure his statement in the VNS (in the debates on passing the Law on Names) on the reaction of the organization he heads should the demanded amendment fail to pass.

The statements by many other people's representatives are also of an openly anticonstitutional nature. One of the most eloquent examples of this is the statement by Mrs. Lea Koen on the television program "Face to Face," in which she spoke of Bulgaria as a binational state. We consider this statement to be the latest manifestation of the incompetence of said lady, who is bound to note (being herself a member of another ethnic group) that Bulgaria is a uninational state in which other (but not only two) ethnic communities live.

7. The scientists of the Academic Forum for National Policy, who unconditionally condemn the present confrontational activities on both sides on the matter of the

study of the Turkish language, insist that it be resolved exclusively within the framework of the overall national program, which was discussed and adopted after a constructive dialogue was held on the broadest possible social basis and with the participation of competent and authoritative specialists. To this effect, the Academic Forum is prepared to present documentation to the specialists and to participate in the formulation of it. We believe that a certain amount of guilt for the present state of acute confrontation rests with the state institutions, represented by the Presidency and the Ministry of Public Education, which are trying to resolve the problem behind closed doors, hastily and on an authoritarian basis.

As we remind others of our repeatedly stated positions and main considerations concerning their formulation, we are particularly anxious to emphasize the need to note that, clearly seen in the chronology of events, is the aspiration of certain political forces in the course of a covert or an overt campaign to make use of interethnic conflicts leading to the disintegration of the nation. While creating the impression that both they and democracy are threatened, and assisted by euphoric manifestations by pseudopatriotic circles, they are concealing their policy of pressure and hypocrisy and are essentially inspiring confrontation processes. Hiding behind the facade of defending individual human rights and freedoms, they are using the tactics of defensive aggressiveness and instilling a complex of guilt, of which the Bulgarian people are innocent. It is our profound conviction that, from 10 November on, in all the activities of state organs and the Grand National Assembly, not a single act was passed to justify the pursuit of such a policy of defensive aggressiveness by such forces, the DPS in particular.

As a result of all this, the Academic Forum for National Policy deems it necessary to address itself to the political forces and the Grand National Assembly, with a request to undertake immediately the formulation of an integral national program and, on the basis of the principle of sensible sufficiency and in accordance with international documents, to ensure conditions for surmounting current and future tensions.

Academic Forum for National Policy
20 February 1991

CZECHOSLOVAKIA

Referendum as Solution to Parliamentary Crises

91CH0474A Prague LIDOVE NOVINY in Czech
27 Mar 91 p 10

[Article by Petr Slunecko: "Why a Referendum?"]

[Text] Most of us certainly remember well the resolute speech of the president in the Federal Assembly, in which he made use of his constitutional right and proposed the adoption of several laws which in the future

could help our ship of state to navigate through rough seas, storms, or something even worse.

The president's speech given before Christmas undoubtedly contributed to a relatively calm debate in the parliament and to the adoption of the so-called competence law. But it seems that will not always be the case, and that it is quite possible that our cockleshell could capsize or even break up.

One of the proposals calls for embodying the principle of referendum in the legal code as a legal and political institution, when citizens decide a legislative or constitutionally political issue by direct vote. They vote either yes or no!

Referendum as a form of direct democracy certainly is nothing new, either generally or in the laws of our country. At one time France made great use of it, and, incidentally, one of them caused General de Gaulle to resign from the presidency. The referendum is also used quite often in Switzerland, and, for example, the possibility of its use is assumed also by the constitution of the Soviet Union.

At present our constitution does not contain a provision for a referendum, whereas the constitutional law of the First Republic allowed for such a possibility in its Article 46. During the period between the two world wars, jurisprudence had, to put it mildly, great reservations about the use of a referendum. Why? First of all, a referendum was often understood as a fundamental breach of the working and status of a parliamentary democracy that could cause a number of problems in the relationship between the people as a certain source of the state's will and the parliament elected by them. Legal theory also viewed the use of a referendum, not without cause, as a potential penetration of undemocratic tendencies into the political life of a country. Further objections then pointed to the possibility of the referendum being misused by demagoguery and cheap promises.

Whereas legal theoreticians viewed the referendum with reservations, their evaluation of its legal formulation in prewar Czechoslovakia was rather negative. The provision of Article 46 of the then constitution allowed the use of a referendum as a means for resolving differences of opinion which occur between the parliament and the government when a law proposed by the government is rejected. Then, on the basis of a unanimous decision by the government, the people were called upon to decide by vote whether the proposed law should in fact become law. Other than this general formulation, the constitutional charter tended to restrict the use of the referendum in its other provisions. The referendum could not be used to make decisions about laws which would amend or supplement the constitution. It was further determined that the details of a referendum will be established by a special law. At this point it should be mentioned that such a law was never passed and a referendum was never used.

In spite of all that was said above, we can rightly assume that our legal code (at least now or in the very near future) should provide for a referendum as well as for the possibility of giving certain important powers to the president of the republic.

The only, and also sufficient, reason for it is interest in preserving this state. As long as our constitution will contain something like the prohibition of majority rule, then it is essential that it also contain the means for dealing with its negative consequences. If such a principle, embodied in constitutional law No. 143/68, had existed in some form during our First Republic, then that republic would not have lived long enough to see its first anniversary.

What does the principle of the prohibition of majority rule, often also connected with the need for a qualified majority, represent? Generally speaking, it is a means to protect the smaller part of a whole against the implementation of possibilities which only its larger part has at its disposal. In the previous regime, this possibility had no practical meaning, because everything important was decided by the leadership of a "unitary" ruling party. Under the conditions of a two-member federation, the prohibition of majority rule means that in certain matters the vote of the majority in the parliament is invalid.

To illustrate, let us imagine that our sovereignty is threatened, and so that I would not be too provocative, it is a threat from without. To adopt a measure that would remove this threat, a majority of votes will be needed in the separate voting in the House of the People and the House of Nations. In the House of Nations the deputies elected in the Czech and Slovak parts of the republic will also vote separately. In these separate votes, in order to adopt the resolution, a majority of all votes, if not even a qualified majority—three-fifths—will be necessary as well. The House of Nations has 150 Deputies, of which 75 represent the Czech Republic and 75 the Slovak Republic. The adoption of a resolution for the defense of the state can therefore be blocked by 38 deputies, or even by 31 votes. An unyielding and even just a little organized minority therefore can literally force its will on a substantial majority. A mere 31 votes of this minority could prevent the adoption of a constitution(!) or a constitutional law, and would make impossible the election of a president or a declaration of war. The votes of a mere 38 deputies, for example, will make it impossible to approve the budget for the federation, will make it impossible to form a new government, or will prevent the replacement of one government with another.

In short, the legislator will have to decide. Either he will retain the prohibition of majority rule but will give the president of the republic the means to prevent a constitutional crisis from developing, or he will refuse to give him such powers and at the same time abolish the constitutional formulation of the principle of prohibition of majority rule. Because as a rule, the third route, as in most other cases, leads to hell!

Dubcek's Political Stance Criticized

91CH0441A Prague LIDOVE NOVINY in Czech
8 Mar 91 p 1

[Article by Jiri Hanak: "National Socialism?"]

[Text] Now even Prague has gotten involved in the argument within the VPN [Public Against Violence]. Alexander Dubcek has done this with his fax. On this occasion we cannot help but recall the so-called Ems Dispatch. It caused a war between France and Prussia, and Dubcek's dispatch has hastened the fragmentation of the VPN.

After reading through Dubcek's text, which clearly placed him on Premier Meciar's side, Knazko and Meciar immediately left the negotiations and announced the establishment of their own platform. Dubcek could have a not unimportant place in it. Will it be support for the platform?

Alexander Dubcek has a special place in Czechoslovakia's recent history. His name is connected one way or another with all the different types of socialism through which we have had to live. In the first one, which was built up until 1960, he gained experience. In that "established one" after 1960, he was already an experienced aparatchik. He brought socialism with a human face to life and he himself buried it as well by signing the capitulation document in Moscow in August 1968 and by signing the "pruegelpatent" or "permit to beat people" a year later in the capacity of chairman of the FS [Federal Assembly] at that time. In accordance with that law, people were beaten and locked up who in August 1968 had demonstrated—for Dubcek. He also voted for the presence of Soviet troops in our country and then later was forced to leave the political scene for 12 years.

In opposition to the sponsors of normalization, Alexander Dubcek played a meticulous solo part. He waited uncompromisingly for party rehabilitation. Today only he himself can judge whether he waited in vain or not.

With the fax to the VPN negotiators Dubcek returns to active politics to a certain degree. The job of FS chairman in Prague may be considered only a ceremonial one, while in the new Meciar platform opportunities are opening up which may not even have been anticipated. I also assume that there will be no lack of a strong flavor of national and social demagoguery. How far away from these pillars is the formation of some kind of socialism? We have lived through socialism under construction, built up, with a human face, realistic, and revamped. As the character demonstrates, this time it could be national socialism. God be with us and keep evil away!

HUNGARY

Constitutional Court Head Views Pending Cases

91CH0436A Budapest NEPSZABADSAG in Hungarian
7 Mar 91 p 4

[Interview with Dr. Andras Hollo, secretary-general of the Constitutional Court, by Andras Sereg; place and date not given: "The Abortion Question Cannot Remain as It Now Stands"—first paragraph is NEPSZABADSAG introduction]

[Text] At a recent ceremonial session of the entire Constitutional Court, now one year old, the court reviewed its work to date. Since the justices of the Constitutional Court regard the safeguarding of the principles of constitutional order as their primary task, we requested Dr. Andras Hollo, the court's secretary-general, to evaluate on this occasion from the judiciary's viewpoint the nearly one-year activity of the democratic parliament and democratic Council of Ministers, specifically the legislation that they have introduced and enacted, respectively.

[Hollo] When the Constitutional Court began to function in January of last year, the first motion before it to interpret the constitution had been filed by the National Assembly of that time. Since the new political system's emergence the situation has changed only in the sense that the motions to institute proceedings before the Constitutional Court are being filed primarily by citizens, rather than by the National Assembly or the Council of Ministers. The numbers in themselves present a picture of a suitably functioning corrective mechanism, and of a National Assembly and Council of Ministers acting in accordance with the constitution.

[Sereg] How many of the filed motions are for reviewing the constitutionality of statutory regulations promulgated since the change of regimes?

[Hollo] A large proportion of the conflicts stems from contradictions between norms introduced before the change of regimes, on the one hand, and the constitution's provisions, on the other. A few of the motions concern also more recent statutory regulations. For instance, the laws defining the authority of the republic's regional prefects or the advancement and salaries of members of the judiciary. In addition, there are several motions to review the constitutionality of the interior minister's order to hand in firearms.

[Sereg] To my knowledge, even the Electoral Law, which was enacted on the basis of a multiparty consensus, is being challenged.

[Hollo] Our decision regarding the Electoral Law will soon appear in MAGYAR KOZLONY. In its decision the Constitutional Court states that the provisions restricting for practical considerations the right to vote are unnecessary, and therefore two provisions of the law which restrict the exercise of the right to vote have been

declared null and void. Namely, the provision that the enfranchised citizen who was away from his permanent place of residence on election day could vote only for a regional list. That provision, according to the Constitutional Court, was unconstitutional. The other provision concerned voting on the basis of so-called certification. Here the court objected to the procedure the enfranchised citizen had to go through in order to obtain a certificate.

[Sereg] In his minority opinion attached to the court's decision declaring the death penalty unconstitutional, Chief Justice Dr. Laszlo Solyom said that the Constitutional Court has to arrive at its own interpretation of the right to life. To our knowledge, the full session of the court will soon be deciding also the question of abortions, which likewise is closely linked with the right to life. What decision can we expect?

[Hollo] This will be a long-awaited decision of the Constitutional Court. After all, the motion to review the constitutionality of abortions was filed with us way back in January of last year. Since then the justices have been working continually on this decision and have deliberated the questions of principle at several full sessions. There will be one more closed session at which the justices will probably iron out the final touches to the draft of the decision.

[Sereg] When will the decision be handed down?

[Hollo] At the end of March, I expect.

[Sereg] Why is the decision taking so long?

[Hollo] Naturally, I am not authorized to make any statement about the expected decision in a pending case. Obviously, the court will not decide for the parliament any basic question that falls within the parliament's scope of authority. And the regulation of abortions is a question of such order of importance that it will have to be reexamined in the wake of the Constitutional Court's decision. In the final outcome, the Constitutional Court defines the organizing principles and the aspects of constitutionality, which in their turn determine both the framework and the limits of future statutory regulation.

[Sereg] Does this mean that the present statutory regulations will require corrective action?

[Hollo] Yes, they will. But that, I think, is the maximum I am able to reveal at this point.

[Sereg] In addition to the question of abortions, we are still waiting for the Constitutional Court to decide also the constitutionality of nationalizations. How long will we have to wait?

[Hollo] Not long. So far as the motions to review the constitutionality of nationalizations are concerned, they fall into two categories. One includes dwellings, pharmacies, recreational homes, as well as small shops, retail stores and catering industry establishments attached to homes. The other category includes cases involving the

nationalization of plants, factories, and flour mills. It is still an open question whether the Constitutional Court will hand down a separate decision for each of the two categories or a single lengthy decision covering all cases of nationalization.

[Sereg] On what will the decision be based?

[Hollo] On the constitution's provisions protecting ownership, and on the constitutional guarantees of compensation for expropriation.

[Sereg] Then the subject matter of the decision is related to the Draft Law on Compensation?

[Hollo] There are certain interrelations between the two.

[Sereg] Will the Constitutional Court reach its decision before or after the draft law's enactment?

[Hollo] I would not exclude the possibility of a decision before enactment.

[Sereg] What effect does the debate in Parliament have on the Constitutional Court's decision?

[Hollo] The general debate of the draft law on compensation, and the shifts and changes in its concept do not influence the court's deliberations in any way.

SZDSZ Deputy Kiraly's Political Past Probed

*91CH0395A Budapest A VILAG in Hungarian
30 Jan 91 pp 22-28*

[Article by Bela Kerekes: "Kiraly in the Blood Storm"—first two paragraphs are A VILAG introduction]

[Text] Motto: "Who could say that any human being is exactly like he seems to be in a given situation?" (Bela Kiraly)

History can be interpreted in many ways, but no matter what the story of the past is, it happened in only one way. A nation which believes itself to be free, its state to be a constitutional state, and its parliament to be freely elected, must respect the facts. What follows is a summary of an adventurous personal history. Its protagonist is Colonel General Bela Kiraly, commander in chief of the National Guard in 1956. He was decorated by Benito Mussolini, Miklos Horthy, Ferenc Szalasi, Matyas Rakosi, and the first president of the new Republic of Hungary has also assured him of his official esteem.

"My entire life has been characterized by a dislike of inactivity. It is my conviction that carefully thought out and purposeful activity constitutes true human life. I have always lived, and still live, according to this conviction." This is a thought worthy of poetic writings, and if there is anything that confirms this, it is the author's path of life.

* * *

The year 1945 was a significant turning point in Hungarian history. It was also turning point in Bela Kiraly's career as well. By then he was an experienced man despite his young age of 33. He graduated from the Ludovika, was commissioned as lieutenant, was present at the reannexation of Transylvania and the Southern Region, and then, as a graduating student of the General Staff Academy, received orders to go to the Don River to gain war experience. He became a staff officer in 1942, went to the Russian front once more, and also took part in the military operations at home. He must have fought fiercely, because in addition to various decorations, first the chief of staff commended him in writing "for his outstanding service against the enemy," then he was the recipient of the Fire Cross in 1943, and then, the regent himself recognized him by decorating him with the Knight's Cross of the Hungarian Order in 1944. Indeed, he received recognition even during the rule of Ferenc Szalasi who was already serving as staff captain. In January 1945, the nation's leader decided to decorate him with the Officer's Cross of the Hungarian Order "for his brave actions against the enemy." But the Hungarian leaders were not the only ones who recognized his abilities. Bela Kiraly was also decorated with Mussolini's Knight's Cross in Italy and was also given permission by the regent in the fall of 1944 to wear Adolf Hitler's Iron Cross of the second class. Although, as he writes in his book, he had a "humanistic outlook," he continued wearing his uniform to the end. Actually, even a little longer because he did not reject an appointment to the post of directing the propaganda section of the fascist ministry of defense nor, indeed, the aforementioned January 1945 decoration.

He states in a sentence of his book that he did not take the oath of allegiance for Szalasi. Let us believe what Bela Kiraly writes; but from this it follows that, contrary to the rumors, the nation's leader and his defense minister, Karoly Beregfy, must have been definitely open-minded and politically tolerant people, because not only did they not remove the captain who refused to take the oath of allegiance from the Ministry of Defense after 15 October, but even decorated him. They not only gave him a decoration but also put their trust in him because they appointed him staff commander of the Koszeg brigade. Evidently, they did not even dream of him going over to the Russians.

Thus, 1945 was the first turning point. The staff captain landed in a POW camp but, together with several others, jumped off the fast-moving train headed for the Soviet Union shortly before it reached the Soviet border and, luckily, survived. Hardly two months after arriving home he joined the Communist Party. "Even though I was not enthusiastic about the Communist Party, I was not averse to it as it seemed to be indispensable for the change," he writes in his book. Conceivably, he was right, because a decisive turn came in September in his

own life as well. Although he was put on half-pay for the time being, he was nonetheless registered in the new army—a major success.

Thus, Bela Kiraly made a decision, and not a bad one at that.

Within a surprisingly short time, he was transferred to Papa as staff commander of the First Rifle Division. However, according to his book, he had hardly arrived at his station when someone inquired about him over the telephone. "The next morning I called the secretariat of the people's court. The prosecutor in charge repeated...that Beregfy's defense attorney wanted my testimony but the trial had ended yesterday." In other words, he was called but did not appear. However, this is what Pal Kornis, Beregfy's interrogation officer, writes in his book published in 1988: "Quite unexpectedly, unanticipated help arrived in late December. One of his immediate subordinates, a civilian, called from Kaposvar, offered information regarding Beregfy's activity as minister. This is how I met staff captain Bela Kiraly...who had a very good appearance and was a very talented and highly trained soldier; this is how he bought his transfer ticket to the new army. With his help, and through his statements, we were able to wind up Beregfy's investigation in a way that left no doubts about his sentence."

Let us not forget that this was hardly a month before Kiraly was transferred to Papa to a very high post for his rank only, to land in the Defense Ministry a year later as head of the training department. His career continued unbroken. He became an infantry commander in 1949 and, already a general, commander of the Field Academy. It was at this time when, in addition to his many decorations, he received the first class of the Hungarian People's Republic Order, the new regime's highest military decoration. His loyalty was as unwavering as his career. According to Ferenc Kubinyi's research, his letters "informing" the military policy department can be found in the archives of the Ministry of Interior under file number VII/23.b.

One of these, his deposition as witness that led to Lt. Col. Jenő Czebe's conviction, deserves special mention. Opinions differ; there are military historians according to whom Czebe was indeed a British spy, others are not so convinced, but one thing is certain: "Destiny" assigned Bela Kiraly a key role in his conviction. Just before Czebe's arrest, Kiraly invited him to his home, and that conversation was monitored (these records are also to be found in the archives of the Ministry of Interior under file number VII/23.c). We leave it up to the reader to believe or not to believe that Bela Kiraly did not know about the bugs as he claims. At any rate, Czebe was arrested and Bela Kiraly testified (see Document I.). The officer who led the interrogation and whose signature appears on the left side of the page was Major Andras Berkesi, a writer. The defendant was convicted and, a few days later, was shot to death on Bela Bartok Avenue while trying to escape.

Thus, Lt. Col. Czebe, who had conveyed to Kiraly earlier that he had little chance for a staff position and that it would be more sensible for him to choose another profession, and who led the Defense Ministry's section which handled the affairs of the staff and generals, disappeared from the scene.

In the meantime, the future hero of 1956 was contemplating whether he should further improve his ideological knowledge. He writes in his July 1949 autobiography (see Document II): "I would like to complete a longer (3-month) party school.... I feel that my ideological education needs further improvement. The only way I could get really immersed in ideological training would be to study at the party school. In addition, I would like to go to the Soviet Union to take some kind of a continuing course to further improve my professional expertise. In the past, I did not take a political stand in support of the regime.... Now, through my party work...I am taking a stand in support of the Party and socialism."

However, this time his efforts did not bear fruit. The party had him arrested in 1951. Knowing the driving force behind the wave of terror during those times, we would not think he had much chance of coming out of this alive. But how mistaken we would be.... Although the Budapest Military Court sentenced him to death on 15 January 1952 for war crimes, espionage, and crimes against the state, hardly two weeks had passed when the Court of Military Appeals converted the death sentence to life imprisonment, stating that, although the facts were evaluated correctly by the lower court, the latter was mistaken in one thing: Neither the position nor the activity of Kiraly was one of a "leader" during the fascist months that would justify his execution.

Just a thin thread, but his life depended on this. Or rather, it depended on the person who instructed the colonel in charge of the investigation with these words (see Document III):

"Bela Kiraly...(illegible) I wrote in the file [as published]. But we must be careful that the confessions can be backed up by evidence. Bela Kiraly committed a grave war crime. In late 1944 he held a staff position at the Defense Ministry where he was Beregfy's confidant and adviser. He was the one who drafted the so-called order of massacre on the basis of which hundreds of soldiers and labor camp inmates were murdered." And the person who wrote these words was no other than Defense Minister Mihály Farkas himself. What could have been the reason for such a totally unexpected act on his part of calling attention to the importance of evidence even though he knew about Kiraly's past?

Talking about evidence, let me note that nowhere in his book does Kiraly mention that he was treated brutally or beaten. "They tortured me in a much more subtle way than that," he said two years ago in New York in an interview with Livia Gyarmati and Geza Boszormenyi. "What were their methods? The first and foremost was total isolation from the world.... I was given only a

minimum amount of food.... I was not given decent clothes.... I was not even allowed to take a bath. I wore the same shirt for a month, I was disgusted with myself, and I stank. It was towards the end, when I had had it, that they put me in a separate room and gave me a drink. It was like hot chocolate. I knew that some kind of a chemical had to be in it.... I drank it. Some kind of a Soviet chemical was in it that caused me to ramble. Had one had any secret left in himself, one would have coughed it up. They only had to push a button and I sang."

Regarding the hot chocolate, Vladimir Farkas does not recall any such secret drink, either Soviet or American. What an easy time the AVH [State Security Authority of the Ministry of the Interior] would have had with the possession of such a mixture!

Maj. Gen. Bela Kiraly spent four years in the central prison. He was released in early September 1956. This was the second turning point in his life.

* * *

"A few days after my release, three old buddies paid me a visit," he said in the aforementioned interview. "They asked me what I knew about Imre Nagy. I knew quite a few things about him.... Imre Nagy and his circle would have liked to have someone from the army among them. They chose me, and my buddies asked me whether I was interested and whether I would also take the risks that this would entail. I said that I liked this whole thing."

We have no reason to doubt Bela Kiraly's words, not even if, true to himself as presented in his book, this time he fails to name the story's players. On the other hand, we are quite perplexed about his subsequent letter dated 14 October (!) and addressed to Istvan Bata, defense minister from the party still led by Gero (see Document IV):

"During the five years in prison, I continued to believe that sooner or later socialist justice would be implemented and my innocence would be established. That is why I spent my prison years not with hateful pessimism but with serene optimism.... Today, on the road to complete physical and mental healing and with broadened factual knowledge, I await with a sound mind the just conclusion of my case and the opportunity to resume my enthusiastic work of building socialism and of serving the Hungarian people. With comradely greetings, Bela Kiraly."

This letter is perplexing because of the way Kiraly continued in the interview mentioned: "I responded (to this offer. The Ed.) by saying that I liked the whole thing, I would indeed be very interested, but there were two fundamental obstacles, one of them ideological, the other practical. The ideological one was that if this would mean that I would have to join the party again, then let us talk about something else.... Well, I would not have to. All right then, I said. The technical obstacle was my five years in prison. I felt that I had become somewhat of a

hypochondriac, I thought that I had skin cancer and so forth. I would have needed a thorough physical before beginning any serious work. I had to be certain that I was healthy."

Well, yes, in sensing the wind of great times, it is good if one thinks about one's health. Or about one's future. Let us go to the hospital!

"There is a big military hospital on Karoly Robert Avenue where they not only treat people but also do research. The commander had the right...to admit me straight from the street and to bring me to the hospital as a guinea pig. They said, Bela, you will be a guinea pig. I was examined every day by a different department...and it was found that there was absolutely nothing wrong with me. I was undernourished, I had a vitamin deficiency.... I had to undergo a small operation on 22 October. So, on 23 October 1956 I was lying in bed just having come out of the operation."

He was released from the hospital on 28 October, on the day of the armistice but, loyal to himself at that time, sent a letter before his release to Imre Nagy's son-in-law, Ferenc Janosi:

"My dear Feri, I was awaiting your announced visit which was cancelled by the historic events. Now that I have heard Imre Nagy's program and the resolution of the government and the party, I am filled with joy and enthusiasm.... I am almost overwhelmed by bitterness when I think that I might be left out precisely now, left out of this work that is so close to my heart.... Through you, I offer my working energy, enthusiasm, and compassion to Imre Nagy and his government. I believe you know that what I want is not position or honor but a task.... I think that my place should be at the Defense Ministry's general staff. With friendly greetings, your old friend, Bela Kiraly."

(This letter was written two weeks after the one written to Col. Gen. Bata, and supposedly not to the prime minister directly because he hardly knew Kiraly.)

Even this new flood of events pushed General Bela Kiraly to the top. There was no more than a week left before the Soviets marched in on 4 November, but that was enough for him. He became president of the Revolutionary Police Committee and the Revolutionary Defense Committee, and was elected commander in chief of the National Guard. We can, or more precisely, could speak with only praise about this exceptional rise of his that remained unparalleled throughout his entire life, except for a not entirely minuscule snafu in the story, a kind of storm cloud in front of the sun that obscures clear vision again. I quote from retired Maj. Gen. Dr. Mihaly Berki's book entitled *Army Without Leadership*:

"Maleter's activity, statements, and confession seem to indicate that he did not completely agree with Kiraly's concept of the National Guard's composition and tasks,

but he could not go against the government's directives.... He disliked Kiraly, and on 2 November he reported to Imre Nagy that in case his information and suspicions regarding Kiraly proved true, he would have the commander of the National Guard arrested on 4 November. Imre Nagy agreed, and even mentioned at one point in his confession that perhaps Kiraly should have been arrested earlier."

Let us add to this an excerpt from Imre Nagy's confession of a year and a half later: "On 2 November Bela Kiraly received an order from me to arrest Dudas. He did not carry out the order. I demanded a report and took him to task. He probably should have been removed from his post."

The commander of the National Guard is rather short on words in his memoirs regarding this, perhaps only to leave himself more room to deal in length with the so-called battle of Nagykovacs in which he stood fast with such heroism. He told in the oft-mentioned interview: "We had been there for days, trying to establish contact.... A fantastically well-organized Soviet attack was launched on both sides of the valley. Tanks, mechanized infantry, artillery, tactical bombers, and fighter bombers in the air... The artillery was still there in its firing positions.... I sent students of the technical college there who had been trained as reserve officers. They assembled guns, and when the Soviet attack began, the Soviets thought that...several commanders of the National Guard would be arrested. Instead, the entrenched freedom fighters returned the fire.... They fired at the tanks, even at the airplanes. It was apparent that the Soviet attack had been stopped short. And then...one of the fighter bombers' rockets slid into a silo through the door...and exploded. It was like a nuclear explosion. The Soviet planes disappeared in seconds, the tanks in minutes, and the infantry within ten minutes.... The battlefield became empty. Classic victory is when someone stays on the battlefield. We stayed, therefore we defeated the Soviets, but we knew, of course, that they would find out within a few hours what had happened. We went into the Bakony through the Mor pass.... We moved toward the west in quite a loose formation."

Disregarding the fact for now that very few people outside of Bela Kiraly know about this dreadful battle, that not even the United Nations report dealing with the events of 1956 makes any mention of it, and that in an ammunition warehouse every piece of ammunition explodes one by one, reminiscent of fireworks, it would perhaps be worthwhile to quote one of the eye witnesses: "We arrived at Nagykovacs around 1300 hours on 8 November, and we were quartered in the mansion there.... Bela Kiraly came in at about 1330 and informed us that 'I appoint you gentlemen members of my body guard....' The Soviet tanks appeared at the outskirts of Nagykovacs between 0800 and 0900 hours on 9 November. We received orders to halt the Soviet tanks. We went into the nearby woods but we found Soviet troops there, too, and we had only one option: Everyone fled wherever he could...." Kiraly put this option into

action on 11 November, although on the 9th he "left headquarters on a truck and headed toward Vienna."

After the defeat of the revolution, General Kiraly settled in the United States and earned a doctorate degree in history. He taught military history at the graduate schools of Brooklyn College and the City University of New York. He became an honorary professor of the United States Staff and High Command Academy, colonel of the State of Kentucky, and an honorary citizen of the city of Baton Rouge and the State of Maryland.

In 1989 he left the United States to return to his home town where he was elected representative. He worked in the parliament first as an independent and then as an SZDSZ [Association of Free Democrats] representative. Not to allow his military career to come to an end, Arpad Goncz promoted him to colonel general last year which is presently the highest military rank.

"I was seeking the truth. In the final analysis, seeking truth provides the joy of not having to blush before one's conscience." (Bela Kiraly)

Epilogue

This is not the first time that Col. Gen. Bela Kiraly's life story, or one or two episodes thereof, have appeared in the Hungarian press. Last year, various writers attempted to call attention to this unusual career. They did not have much success, even though we have good reason to assume that the appropriate people, no matter how high a post they hold, are familiar with the colonel general's life work. But what would happen if the truth came to light about him, the hero of 1956, who provides political legitimacy for the regime?

The nation looks upon Bela Kiraly as a national hero. This is how it may have been with the people of Kaposvar, too, who did not have the opportunity of a true election last year, for both the SZDSZ and the MDF [Hungarian Democratic Forum] withdrew their candidates so that Bela Kiraly's chances would not be lessened. They must have had good reasons.

To date, history has not outwitted the professor of military history.

ROMANIA

Constitution Draft Called Antidemocratic

91CH0375A Bucharest ROMANIAI MAGYAR SZO
in Hungarian 13 Feb 91 pp 1, 4

[Article by Erno Fabian: "The Theses of Disenfranchising and Etatism"]

[Text] After lengthy preliminaries, the parliament's constitution-writing committee, emphasizing its originality,

published the theses for the country's new constitution (Teze pentru elaborarea proiectului de constituție a Romniei). Why the theses, instead of the entire proposed text, is not revealed by the compilers' statements. The only thing that we found out is that the committee claims to have studied the constitutions and laws of nations that have rich democratic traditions, and consulted with prominent jurists and politicians. It will be reassuring, virtuous, and admirable if we are able to find the rich fruits and results of these noble acts and inquiries in the text of the theses. In fact, however, nothing is further from the truth. The theses provide ample opportunities for governing in an antidemocratic manner while remaining within the limits of democratic formalities. The theses' rhetoric serves to conceal this fact, but even this cannot obscure the etatism rooted in Stalinism. When it comes to the issue of nationalities, the theses propose the total disenfranchisement of ethnic minorities, the realization of an Endlosung [the final solution] within a constitutional framework. In this regard, the theses are undeniably original: One could say that their editors entirely ignored the internationally recommended legalities and fundamental principles. I have in mind here the Charter of Europe or the Copenhagen Convention, but I could cite other documents as well, or even those results that have been achieved in Switzerland, Finland, Belgium, and other Western countries. Perhaps the committee was too busy studying other cases to refer to these.

The points in the chapter called "Fundamental Principles" take no note of the fact that there are more than five million citizens living in this country whose native tongue is not Romanian, constituting 20 percent of the total population. Ethnically, Romania is not a unified state. There are no ethnically homogeneous states in East Europe and the Balkan region; no matter how many attempts are made to have people accept a nonexistent situation. This is the reason why the fundamental principles should include the statement that political authority is exercised by the Romanian people and the coinhabitant national minorities. The failure to make this statement means unequivocally that the country's minorities do not participate in exercising political power, and thus cannot be considered citizens with equal rights, but rather second or third-class citizens. It is time to break away from the specter of a political state that lumps minorities together with members of the majority. By contrast, the theses insist on applying the French nation-state model throughout, and proclaim the preeminence of the ruling nationality. It might be worth recalling that the French nation idea included the total population of the state, and determined belonging to the nation not on the basis of objective traits (language, culture, etc.) or on the basis of free individual decision, but on the basis of geographical location where the individual was born. Two hundred years after the French Revolution, this anachronism is not only unsuitable as a basic principle, it is also discriminatory in nature, in that it excludes those from the ranks of nation-creators who are not members of the ethnic majority. Therefore,

claims according to which Romania is "a democratic state based on laws," has a rhetorical tone. In a similar vein, exhortations to work for the realization of "common good," (Binele comun), in addition to being out of place in a proposed constitution, cannot have a mobilizing force. After all, how will second and third-class citizens obtain their share of this "common good?"

At the close of the 20th century, ignoring and excluding the minorities' collective rights, local administration and cultural autonomy from a constitution (from the theses, in this instance) is tantamount to depriving them of their rights. In today's Europe, the task is not to assess the sentences' length (and never mind the ambiguity of context); rather, we must (or should) affirm the minorities' collective legal status, and their right to administer their own internal affairs. Without the legal acknowledgement of the minorities' autonomy, there is no democracy, no equality, and no rule of laws. Settling the question of minorities is the key democratic progress in East Central Europe. Leaving the issue unsolved is likely to destabilize the entire region.

Rather than affirming collective rights and autonomy, the well-paid creators of the theses assert, to the greater glory of political pluralism and God, (and relying on who knows what experts) that parties and political organizations organized along the principles of ethnicity (pe criterii etnice, religioase sau lingvistice) are anticonstitutional. This could lead to depriving minorities of their organs of political representation, and their degradation to being third or fourth-class citizens. The theses' writers are "smart" enough not to be worried about a potential Christian democratic party; what they have in mind is the party of minorities, primarily that of the Hungarians. Banning that party will be a bizarre achievement. Before World War II, it was the royal dictatorship that outlawed the Hungarian Party of Transylvania, but the registered ethnic minorities were able, within the framework of the National Renewal Front, to assert those of their rights that were guaranteed by the prevailing laws (which were, let us add here, quite restrictive, similar to the ones in force today). The thus formed Popular Community of Hungarians in Romania came "to represent the comprehensive interests of Hungarians living in Romania."

The theses generously speculate about maintaining and developing ethnic identity in all areas of life (in toate domeniile vietii), as long as this is in accordance with the principle of equality and does not discriminate against other citizens of Romania. Here again, as so often in the course of reading the text, it is difficult to decide how a human right, such as the right to one's own identity, could infringe upon the principle of equality; and when is my personality, as formed by my language and cultural community, discriminatory? As a primary consideration; who, and on the bases of what criteria, will designate trespasses and excesses committed in the name of identity? Thus, deserting the issue of identity, while encoding it in fundamental laws, identity itself (or the very notion of being different) can anytime be outlawed, or driven into schizophrenia. We are no longer surprised

by the fact that they have declared Romanian as the only official language, and that even court proceedings are conducted exclusively in the official language of the state. To be sure, the theses refer to certain concessions, namely that in counties, cities, and towns where members of minorities reside they may use their own native tongues; however, they fail to enumerate this right in detail, thus making it vulnerable to infringements and misinterpretation. The constitutions of 1952 and 1965 clearly stated that in all administrative units where other than Romanian-speaking residents live, "every administrative organ and institution [must] use the languages of resident minorities in writing and speech, and [must] appoint officials from the ranks of those minorities, or from among those who know the latter's language and habits." Who would have thought that there will be a time when we harken back to legislatures created by the jurisprudence of the proletarian dictatorship? But this is what creators of these "theses" force us to do. Regrettably, the Peasant Party's proposal is no more concrete; it says more only in that it prescribes the study of the Romanian language, (*Toti cetenii au datoria sa cunoasca limba romana*). Liberal states based on the rule of laws do not compel the study of languages; rather, each citizen considers it advantageous to learn the language of the state or other languages. If something is prescribed, it cannot, by definition, be democratic.

When it comes to the issue of education in the vernacular languages, the theses are not simply taciturn, but outright discriminatory, in a manner that is not found in any state based on the rule of laws. The phrasing is categorical, in a manner suitable for third-class citizens: Teaching at all levels will be conducted in Romanian, (*Invatamintul de toate gradele se desfasoara in limba romana*). This is augmented only with the statement that teaching may be conducted in the languages of the ethnic minorities, if this is feasible and necessary, (*daca este posibil si necesar*). Regrettably, due to no fault of this writer, we must once again cite laws created during the totalitarian period: The constitutions of 1952 and 1965 guaranteed "education at all levels in their own languages" for all ethnic minorities. We should remember that the Bolyai University, and several Hungarian-language postsecondary institutions, were still operating. And now, after a great deal of study, these "wise people" have determined that schools in the vernacular languages are allowed to operate only if this is feasible and necessary. Any local authority may declare that such instruction is not necessary, or that resources are not available. Members of the chameleonlike nomenclature, and their successors, know this very well.

Members of the Peasant Party also propose Romanian as the official language of all education, but their proposal also refers to denominational and private education, not making state-run education exclusive (and thus, subject to becoming the tool of state fickleness which may close schools, redistribute students, or change the profiles of classes and institutions). In any case, state intervention into education should be kept to the minimum, faithful

to European liberal traditions. But, of course, the writers of the theses, who call themselves democrats, are in fact adherents of strong centralized control held by the state, and devote no time to this. Members of ethnic minorities, if they wish to study in their own languages, might as well go to study in another country, because in the land of their forefathers they are deprived of this fundamental right, or are subjected to the whims of necessity and feasibility. Let us consider those administrative regions where the hearths are burning and radiate "love." The reader will be reminded immediately of that former institution, the Stefan Gheorghiu "infant care center."

When they wrote this "great opus," as another sign of "good will" they devoted little and superficial attention to the international norms, treaties, and recommendations that apply to the rights of ethnic minorities. It should suffice for me to cite the Copenhagen Conference of the European Conference on Security and Cooperation, which focused its attention on humane considerations. Chapter 4 of the Conference's closing document, dealing with human rights, clearly calls for the free use of the vernacular language by members of ethnic minorities in their private and public activities. The document, which was signed by Romania, also states that members of minorities "must be provided educational opportunities in their own languages, and, in order to maintain their self-identity, their history and their culture must be taken into consideration. We should also remember the passages which state that minority members "must be able to exercise their rights, individually or jointly, as members of communities." The theses contain no reference to, or even simple mention of these collective rights. According to the Copenhagen closing document, minorities have the right to create and maintain their own institutions, organizations, and associations for educational, cultural, or religious purposes. Operating under the applicable regulations, these bodies should be able to collect voluntary contributions, and request public subsidies. The "wise" and "well-informed" lawmakers forgot all about this. As the old Stalinist adage goes: If it is not mentioned, it does not exist.

The theses classify behavior which is denigrating the country and the nation, as well as national, ethnic, and linguistic "exclusivity" and "separatism" as punishable acts. The two latter expressions are remnants from the lexicon of totalitarianism, but no matter, as long as they serve the cause at hand. This passage may be turned against the minorities any time, and could easily form the basis for implementing reprisals or restrictive measures. If minority members demand their own schools or organize their own cultural events, or, God forbid, dare to speak their own language (as it is natural for them to do), they immediately become "separatists" who are going against the spirit of the constitution, and are subject to being outlawed, to the glory of God, because, after all, the supremacy of the nation-state is the most important.

Everything is not in order when it comes to universal human rights, either. Even though those rights are proclaimed, they are tied to conditions that are absolutely unacceptable. Freedoms of press, conscience, and opinion are recognized only if they fit into the constitutional order. Even the privacy of the mail can be infringed upon, if dictated by the state's interests. Talking about the etatism of the theses, it is the state that will determine what fits into the constitutional order and what does not; as it was done during the time of totalitarian dictatorship. In the 1965 constitution this is expressed in these words: The freedoms of speech, press, and assembly "cannot be used for purposes contradictory to the socialist social order and the workers' interests." The formally differing expressions are identical in meaning.

The theses prohibit strikes for political purposes. In accordance with old economist habits they consider only strikes initiated for economic reasons as valid, as if organized workers would not (or could not) have political demands. One is not limited to calling for wage increases; one may (and must!) demand changes in economic policies or respect for human rights.

In the defense of "constitutional order," even the army can be used, based on a kind of "you respect me, or I will shoot you!" rationale. It can be no other way in an atheist system. The theses' writers did not learn this from democratic traditions, but from the political life of the recent past.

The writers also propose the introduction of a new institution which we have never seen: This is the "people's advocate," (avocatul poporului), who is appointed by the senate and whose job it is to convey the citizens' complaints and petitions to the legislative body. One could become delirious with happiness, hearing about, and probably witnessing, so much democracy! But there must have been some confusion here. In Sweden the interests of the Lapp people are represented by the "spokesman for Lapps," the Sami ombudsman, acting as a mediator between the regulations applicable to every citizen and the imperative of maintaining ethnic identity. We have no idea how this "advocate of the people" found its way into the theses. The task that they propose to assign to him can be accomplished by the senators and deputies from the electoral districts, if they do their jobs correctly. On the other hand, when it comes to such scattered masses, numbering in the millions, as the Gypsies, they need a spokesman who can represent their interests, protect their rights, and convey their initiatives, and who would be consulted on all issues that affect the underdeveloped condition of Gypsies in the midst of civilization. There is no need here for individuals who just like to speak up on behalf of people.

Thus far, no one has explained why Romania needs a bicameral parliament. In general, such a body is made necessary by a federal state structure, the corporative protection of interests, or (as in England) traditions; but even there the House of Lords is, by and large, merely a

historical ornament. The theses fail to justify the existence of two legislative houses; it assigns tasks to the senate which could be accomplished by a unicameral legislative body. There is the quite confusing rule, according to which if one of the houses ratified a law, but a conflict were to arise between the two houses, then it is the Chamber of Deputies that would decide, with a two-thirds majority, unless the difference were settled by a conference committee. I ask again: Why was the senate created?

While the theses talk of a state based on rule by laws, and democracy, they strengthen the power of the executive branch against the legislature. The premier is appointed by the president, and the parliament only approves the government and its program with its vote of confidence. It is the parliament that should entrust the representative of the party getting the most ballots with forming a cabinet, with the latter being answerable to the parliament for all of its actions. This is what is meant by a government that is responsible to the parliament (see the English model). Nor is it correct that the government should have the primary right to introduce legislation, and the government should also determine the relative significance and schedule according to which the parliament discuss the proposed laws. Seeing this, one might ask: Is the government answerable to the parliament, or is it the other way around? The gist of the matter is that etatism, in all its forms, strengthens the executive branch, because that is how it can extend state intervention into both the public and private spheres.

The institution of presidential republic also reveals elements of etatism. In a country that has strong traditions of dictatorship and antidemocratic government, it is not advisable to establish a presidential republic. There is no need to imitate the United States; the rabbit will never become an elephant. A parliamentary republic would be the most suitable form of government. Before it was introduced, however, a plebiscite should be held, to determine if the people actually want constitutional monarchy (that possibility should not be excluded!), a presidential, or a parliamentary republic? The main thing is not who resides in the Cotroceni Palace (as we have seen, the new resident does not need to be observed for too long), but what kind of power he holds in his hands.

The theses reveal a state president whose power is exaggerated. He can be removed from power only by a referendum; he can appoint a premier as he sees fit; he can ask for the new debates before laws are proclaimed (as the 1938 constitution puts it, "the king may refuse to ratify laws."); he may dismiss both houses after consulting both their presidents; he presides at meetings of the National Security Council, and when it comes to military matters, the proposal only calls the president the "head of the armed forces," (capul ostirii). The 1938 constitution spoke of the king as "el este Capul Ostirii," (only differing in the use of capital and lowercase letters). Given such authority, the nation's political system can easily be turned into despotism.

The creation of the Constitutional Council (Consiliul Constitutional) deserves nothing but praise. In fact, that body is nothing more than a constitutional court which exists in the world's democratic countries, with the task of protecting the constitution and legal order. The situation would be truly correct if members of the council were nominated by a joint resolution of the two legislative chambers. In this regard, too, the President's influence should be reduced; as it is proposed, he would appoint three of the nine members.

The other two institutions (Ministerul Public and Consiliul Suprem al Magistraturii) have no genuine democratic functions; they would only contribute to the growth of state bureaucracy, so their existence is not justified. If we wish to make a function or lobby more obscure and uncontrollable, all we have to do is create as many new institutions as possible.

Nor can we be satisfied when it comes to local institutions. Local councils and mayors will be elected through universal, direct, and secret ballot (so much for democracy). However, it is the government that will appoint prefects to head counties, large cities, and the nation's capital, and these individuals will supervise the operation of local councils. The proposal also states that there is no subordination between the councils and the prefects. What this means is that the prefects are not omnipotent. Moreover, the prefect may suspend any administrative measure introduced by local authorities. Thus, it is the theses' aim to incorporate the recently (in June) introduced reactionary administrative methods in the constitution.

The prefect is the government's omnipotent representative. The very origin of the office is informative. It is not a domestic invention. When Napoleon ruled as First Consul, the machinery of state accommodated the demands of absolute monarchy; it eliminated all local government, eliminated or restricted posts that could be obtained through elections, and appointed prefects, who in turn appointed local mayors, removable at will. The practice is imitated in our days of "the democratic state based on the rule of laws," when even those councils were disbanded which were created by the December revolution's energy. Suddenly, the executive authority did not wish to see the creation of "revolutionary emanations" (the words were used by the president of the state).

During Napoleonic times, just as in our days represented by the theses, the prefect was served by a local advisory council, which however had no right to interfere with the administration of affairs. This institution of the prefecture was adopted by the political systems of interwar Romania. The 1938 administrative law placed prefects who represented the government at the head of counties, with the assigned task of supervising local activities. (*Decret-lege pentru reforma administrativa*: 13 August 1938.) "Why is it necessary to revive such an anti-democratic institution," we could ask, if we did not know that etatism will take advantage of any tradition

and former institution through which the state (in this case the executive authority) can extend its influence over the management of public affairs?

All in all, the theses can be viewed as legal creations peculiar to the post-Stalinist period. Utilizing certain democratic formalities, the document ensures the implementation of antidemocratic governing practices, all the while creating the impression of a state based on the rule of laws. This suits the former members of the nomenclature as well as those who once again seized power.

The proclamations made much of the originality of the new constitution's theses. This originality consists of depriving the minorities of their rights and smuggling back etatism. No other originality can be found in the theses; except perhaps a snobbish absence of grace, (see the institution of the "people's advocate").

Under the presently prevailing etatism, as well as in the form proposed by the theses (the two are twins), the parliament loses all of its authority as compared to the extraparlimentary machinery and secret or open alliances. By utilizing the media and other means, the state can mobilize the masses on its behalf.

'Totalitarian' Aspects of Constitution Noted

91BA0445A Bucharest "22" in Romanian
1 Mar 91 p 12

[Article by Dr. Victor Iancu, university professor: "Ceausescu-Style Provisions in the New Draft Constitution"]

[Text] The theses published by the parliamentary commission in charge of writing Romania's draft constitution have disappointed many people. Unfortunately, these theses do not match the promises made by the commission members during the course of several months of work, nor alleged efforts to fall into step with the most progressive European and American constitutions. The texture of the draft released to the press contains too many provisions of too great an importance retained from the Ceausescu constitution adopted in 1965 (and later modified several times, always in a negative sense). Ceausescu's "innovations" were steps down even from the communist constitutions drafted under Gheorghiu-Dej's regime. Those innovations undermine the building of a state of law from the foundations.

Let us examine them one by one:

I. Ceausescu established the position of president of the republic in 1974 (an act which in itself cannot be viewed as an institutional regression) and from the very beginning endowed it with prerogatives that it should not have in a democratic state, thus brutally violating the principle of separation of powers, as well as other principles specific of a state of law. The present draft constitution

maintains all the 1974 and subsequent prerogatives. Moreover, it even added new provisions of the same nature.

1. Romania's president is envisaged to wield legislative prerogatives that seriously affect the authority of Parliament as the only body of legislative power in a state of law. These undue prerogatives or rights are: the right to veto laws adopted by Parliament; the right to appoint one third of the judges on the Constitutional Council (which should be more appropriately named Constitutional Court); depriving Parliament of the right to impeach the president even by very complex procedures (like in the United States); the president's right to call a popular referendum without consulting Parliament or the government (this also infringes on one of the prerogatives of the executive power); Parliament may not decide to suspend the president even temporarily unless it has the approval of the Constitutional Council.

2. The president also enjoys prerogatives which normally belong to the government (or to its leader): the right to chair certain government meetings; removing the army, the police, and the Romanian Intelligence Service [SRI] from government control, an operation carried out through the intermediary of the Supreme Defense Council, which is by law chaired by Romania's president; the prerogative to suggest the appointment of the SRI director to the Senate (actually, that position should be placed directly under the government and the holder of that office should be appointed and released by the government, possibly after requesting the Senate's advice).

3. Finally, Romania's president enjoys one prerogative that in fact seriously impinges (to the point of voiding) on the independence of the judiciary. According to the draft constitution theses, it is the prerogative of the president of Romania to appoint judges and prosecutors (including the president of the Supreme Court of Justice and the Prosecutor General). It is utterly unimportant that the appointments are suggested by the Supreme Council of Magistrates or by anyone else. Logically (by the logic of a state of law), the prerogative of appointing judges and prosecutors should be exercised by the Supreme Council of Magistrates itself and that instance could possibly be chaired by Romania's president, but he would do no more than that and would not intervene in the vote.

II. The government, which prior to 1974 enjoyed extensive powers (at least formally), was reduced by the introduction of the presidency of the republic to the status of administrator of the national economy. In fact that is the name by which it is referred to in the constitution: the body of central state administration. It is not clear who in fact is the head of the government since the position of chairman of the Council of Ministers has disappeared and has been replaced by the ambiguous title of prime minister of the government. All these provisions were kept in the present draft constitution. Moreover, the appellation Council of Ministers

disappeared altogether. The government's prerogatives are presented in Section I of Chapter 3—The Administrative Authority. Which means that the government is not the supreme executive power in the state as it normally should be, but is merely an administrator. So we wonder, who does hold that power? No clear-cut answer is furnished in any of the paragraphs of the theses, but the implication is: Romania's president who, as we have seen, holds both legislative prerogatives and prerogatives from the sphere of the third power. Thus, the government does not govern, it only administers and carries out orders issued by others. This is an utterly communist practice verified for close to half a century during which the government implemented the decisions of the higher party instances without murmur.

III. In these conditions, small wonder that the first article of the (draft) constitution, which defines the very essence of the state, contains no mention of democracy: "Romania is a national, sovereign, unitary, and indivisible state. The form of government is the republic." We ask ourselves whether this wording does not also apply to what we had in Romania between 30 December 1947 and 22 December 1989? Did not the loathsome [Ceausescu] insist precisely on the unitary, indivisible, and national character of the state? Was he not using those objective requirements to secure his objectives of political uniformity and monolithical rule? I do not want to elaborate on this chapter, that by itself could fill several pages of discussion, but I will limit myself to suggesting that Article I be changed (from the title "Fundamental Principles") to a wording that defines Romania as a democratic state and a state of law. Thus: "Romania is a democratic, unitary, and independent state. The form of government is the parliamentary republic." (Naturally, the latter phrase can be replaced by "presidential republic" or "constitutional monarchy," depending on the results of a presumptive referendum). Thus, the essential character of the state (democratic) is defined from the very beginning without any equivocation. Similarly, its unitary character (which implies limited local autonomy) and independence (a more clear-cut trait than sovereignty which is recognized, for example, in the case of the Soviet federal republics, however...).

IV. The new draft constitution sanctions all the civic rights and freedoms envisaged in the international regulations to which Romania is a party. Unfortunately, the tentacles of totalitarianism perfidiously invaded this area, too, in the form of arbitrary restrictions. For example, the inviolability of the home may be violated for five reasons, among which we cite: c) "To defend state security or public order" and e) "In any other cases that require defense against a common danger." Now I ask you: After 45 years of communism, after more than 50 years of totalitarianism, will the police (or the prosecutor's office or any other public authority) feel any compunction about invoking one of the above paragraphs in order to gain access to anyone's home? Along the same line I want to mention the ambiguity of the constitution's wording regarding minority rights, an

ambiguity also inherited from Ceausescu's "thinking," since the previous communist constitutions, not to mention the (democratic) Constitution of 1923, clearly sanctioned such rights. The current draft abandoned the term nationality in favor of "ethnic origin" or "linguistic origin." As everyone knows, origin refers to the more or less distant past. However, the Hungarians or Serbians in Romania are not "Romanians" of Hungarian or Serbian origin, as Ceausescu called them, but simply Hungarians or Serbians. They are Romanian citizens, but that is something else. The references made in the chapters on education or political parties to national minorities are no closer to the requirements of a democratic state or a state of law, because they are also affected by the "discoveries" and "innovations" of the genius of Scornicesti. I cannot end this paragraph without a general observation: namely, that the entire text of the draft is traversed like a red thread (forgive the cliché, but here it is appropriate) by a concern to reserve for the public force all the means of intervening in the life of the civil society, and not to allow individual freedom to be what it has long since become in democratic countries, but only a somewhat better surrogate than under the "golden era," and no more.

Ceausescu's style is still alive in the text of the theses for Romania's draft constitution.

Domokos, RMD SZ Charged With Faulty Tactics
91BA0426A Bucharest ROMANIAI MAGYAR SZO
in Hungarian 16-17 Mar 91 p 7

[Article by Jozsef Gazda: "Charge and Defense—Notes Regarding an Exchange of Letters"]

[Excerpts] ROMANIAI MAGYAR SZO (12 Feb 91) simultaneously published the two letters exchanged by Dr. Eva Maria Barki and Geza Domokos. [passage omitted]

But let us describe the following facts in Mrs. Barki's words, stripped from all kinds of emotions:

"It seems that the spark of Temesvar is burning out....

"[passage omitted] Hoping for the European solution to work also amounts to an illusory dream, because international law can be of no help and will not provide help unless rights to self-determination are demanded, desired and fought for(!). The power of facts has still not lost any of its standard-setting validity."

(Incidentally, this has been confirmed in a televised statement by Mr. Anders Bjorck, chairman of the General Assembly of the Council of Europe. His statement weighed heavily on us. We felt betrayed and abandoned when we heard it. It came as a cold shower. Mr. Bjorck said that regulation of the nationalities situation and affairs was the function of the Romanian legislature. Nevertheless the statement served well insofar as it reminded us of the unquestionable, and by now certain truth that we must not expect anything from anyone and

that we will have to fight for everything. Just as the Catalans had to fight for their autonomy for decades before they were able to achieve it, and just as the Frisians and the Germans of Belgium had to fight, and the Northern Irish and the Basques must still fight, irrespective of the methods they use, which cannot be approved under any circumstance. The Palestinians are fighting and so are the people in the various Soviet republics, Georgia, Armenia, Azerbaijan, Moldavia, and the Baltic states, and within the various republics, the Gagauz, the Crimean Tatars, the Armenians from the Karabakh mountain region, the Ossetians, and other small nations.)

It is equally true that "while other endangered ethnic groups have their own representative offices in the West to protect their interests, to this date the RMD SZ [Democratic Federation of Hungarians in Romania] has not once turned to the EBEE [expansion unknown], the Council of Europe or the United Nations," while Romania's antinationality policies accompanied by an unparalleled anti-Hungarian incitement campaign in the media has never before been as strong as it is today.

Or who could question the truth of the following statement:

"The Hungarian people...of Transylvania find themselves in a state of ultimate danger. They must decide whether to become friendly with the idea of a Romanian nation-state and to thereby subject themselves to long-term assimilation, or to adopt a solution along the pattern followed by the German Saxons. Alternatively, they could begin fighting for survival, a struggle which could produce favorable results only if they succeeded in winning the fundamental collective rights of the entire ethnic group, in addition to individual civil rights. These collective rights include the rights to self-definition, decisionmaking and self-governance, the rights to organize and to self-determination. All these amount to an ability to freely choose the ethnic group's political status.

"Hungarian people are also entitled to the right to self-determination. In the framework of the comprehensive, historically evolved Transylvanian ethnic and cultural structure this would inevitably mean separate constitutional provisions relative to Transylvania. It is possible to provide separate structures for each ethnic group in the region, and to satisfy the requirements established by each ethnic group in the region for political and cultural self-determination. Indeed, these provisions must be made, and these requirements must be satisfied."

Let us disregard for a moment the arguable findings contained in the letter. To exaggerate in given situations in support of a well defined goal has been an ancient trick in politics, and this is what Mrs. Barki did when she cast the stone mainly in the form of accusations. But let me immediately add here that even behind these exaggerations one could sense concern for our nation's fate, and a willingness to help by expressing things....

One may therefore understand that like the rest of the readers, I was also excited when I began reading Geza Domokos' response. [passage omitted]

Unfortunately, [passage omitted] Domokos' response conveyed a sense of being offended, of becoming personal and of rejection. I could say that the response was unworthy of its author. The chairman of the RMDSZ rejected criticism coming from the outside. His response begins with a sarcastic remark: "I received your open letter in which you rigorously scolded the RMDSZ and me personally, and in which you honored me by giving directions concerning the future policies of the RMDSZ."

In my view, relating to matters this way is both dangerous and unacceptable. It is the RMDSZ' tactics, not its good intentions that may be questionable, because undoubtedly, all the activities of the RMDSZ go to prove the bitter efforts they pursue, their struggle against the absurd. Moreover, beyond the RMDSZ tactics, the organization's efforts to resolve immediate concerns diverts attention from the great, and strategically more important issues.

We must take note of the fact that the unmistakable goal of the Vatra Romaneasca and of the government behind it is to wither away the Hungarian nationality, and to prevent us from winning any degree of autonomy, in the interest of the former long-term goal. To keep us in a state of full dependence they must ensure for themselves the authority to direct us. Because if they permitted us to achieve autonomy in cultural life and autonomous rights in the fields of public education, public administration, legislation, and the economy, we would have acquired a degree of independence which could stand in the way of realizing the above mentioned big goal.

They are trying to accomplish all of this with the well-developed, well-planned tactic of ceaseless attack! From the standpoint of their cause, it is immaterial whether we actually provided grounds for such attacks. If we did not, they would invent one! Quite frequently they invent some rather absurd things. A sign hung over a pharmacy door sufficed to launch an offensive, and if that sign alone was only a bare bone, all they had to do was to add some meat to it! As we could see and hear, they informed the country that Romanian customers were told to leave the pharmacy. And the sign itself was repainted by them so as to read: "We do not serve Romanians!" Could it be true that such dope is taken in only by a primitive, receptive medium? Unfortunately, such medium exists! Another matter we should not believe is this: They claim to feel that we are separatists. The whole country could see and hear on television the hysterical charge of separatism and the mindless demonstrations, and hear screams of "we'd rather die, we'd rather fight, but we will not surrender Transylvania." All of this amounted to no more than tactical tricks whose sole purpose it was to scare us and to prompt us to give up our demand for autonomy so that we may remain subordinates. It so happened that the RMDSZ retreated.

It no longer dares to voice our demand for self-determination. This is because, and let me quote from Geza Domokos' response here, that "since you mentioned the anti-Hungarian incitement efforts made by the media, you should know that Romanian chauvinists (my emphasis, JG) accuse us of nationalistic endeavors, of efforts aiming for the partitioning of the country, of wanting to pass Transylvania over to Hungary. Not to mention the fact that in their view, the RMDSZ is an antidemocratic, extremist organization which should be banned urgently, and that the terrorist leaders of the RMDSZ should be deported from the country. The latter include me, one who betrayed the Hungarians of Romania according to your statement." So far, so good. But the conclusion that he reached is so biased that it is unacceptable. "Once again it was proven that the one whose enemies attack him with lies and slander is walking the proper path." That's not the way things are, dear Geza Domokos! Lies and slander qualify only the slanderer. Only in the minds of people who think in terms of black and white does the falsehood of X prove the truth of Y.

But let us further review the tactical steps which are the hallmark of the Vatra Romaneasca. In addition to inciting ultra chauvinist anti-Hungarian sentiments, they must also discredit and throw mud at democratic forces on the Romanian side, which could lend a helping hand to the Hungarian people. We are abundantly aware of methods used and steps taken in this direction. Suffice it for us to make reference to only one incident: Recently they tried to turn Dinescu against Marin Sorescu! But this was only an initial step, a continuation will most certainly follow.... We must recognize that Geza Domokos is correct when he claims that "almost 6 million Romanians live in Transylvania in addition to 2 million Hungarians," and that "in the absence of peaceful cooperation with Romanians the struggle to protect Hungarian rights and to obtain representation for Hungarian interests has no perspective." And equally, "these principles will acquire the rank of a concept and will produce practical benefit only if the Romanian people and Romanian democracy also profess and accept these principles. If they realize the following, and of course, we also must realize this: together or not at all. We either proceed jointly, or we will get nowhere." Domokos is stating the truth in these passages. Nevertheless we must ask: How long can statements like these be made? As long as this optimum recognition does not come about? As long as it suffices for a Romanian democrat to raise his voice against this barbaric, insane hate campaign which debases the Romanian nation, to instantly become the target of attack and to be rendered impossible as a result of the most blatant slander perpetrated with the vilest of methods? Since such slanderous statements have no basis in fact, in most instances the Romanian democrat is unable to defend himself because in the anarchistic atmosphere which thrives in this country, proof is demanded not from the slanderer, but from the slandered. (For argument's sake: A person slanderously

accused of raping a young girl will find himself in an impossible situation if the slanderer is not required to present the young girl. How could the slandered person prove his innocence?)

Yet, an appropriate countertactic ought to be developed; a tactic which should not, under any circumstance, surrender autonomy, the ultimate goal of the struggle.

At this point we must discuss the tactics presently pursued by the RMDSZ. They claim that the idea of autonomy has not been surrendered, but it has not been voiced either. Accordingly, the RMDSZ acts as if it had surrendered the idea of autonomy. The argument holds that this is because "they are accusing us of being nationalistic and of wanting to partition the country," and because "we must not lose sight of contradictions which stem from real conditions, of the resistive atmosphere which stems from historical experience, of the mentality of the majority nation; in other words, the strength that flows from tolerance and from democratic institutions. The often tragic conflicts between ethnic groups both in our region and in East Europe taught us one lesson: There is no alternative to dialogue, to mutual goodwill, and to evolutionary processes which stand on the foundations of the European legal order. Or, there may be an alternative indeed: confrontation, devastation, and hatred today that may not have a foreseeable end for a long time to come. Aware of its historic responsibility, the RMDSZ refuses to follow this path."

Unfortunately, I am unable to agree with this statement either. I cannot agree, because this statement describes the Romanian atmosphere as clearly anti-Hungarian. It does not take into consideration that lack of tolerance has been manipulated and has been incited artificially, and that it is the outcome of the aforementioned Vatra Romaneasca tactics. Accordingly, we once again returned to the black and white way of thinking. Indeed, there has to be another alternative, one which enables us to sustain our demands. Because of the way this matter was presented, the big issue as a whole no longer occupies the central place in our strategy, instead we constantly bother and struggle with small matters, and therefore stay in the same place where we find ourselves today. We pay attention to matters of detail.

One or two examples from the recent past: A dispute pertained to a Hungarian language inscription on a city hall building, and not to the central principle which held that indeed the Hungarian people should have a right to freely use their language both in speech and in writing at all levels, at least in areas where their number constituted a certain percentage, let's say 10 percent of the total population. International law could be made our basis of reference, the examples presented by other countries. Another example: We are fighting to retain the three-and-three-quarter-hour-long Hungarian language TV broadcast, but then we go on defending three hours of programming and try to make that the first program. At that point we have already surrendered three-quarters of an hour of programming. The enemy is on the

offensive, it continues to attack, it is not satisfied with the victory won as a result of the position of power it holds. The enemy wants to wipe out the entire broadcast and sees it fit not to permit the use of the Hungarian language in the Hungarian broadcast. It recognizes only a Romanian language Hungarian broadcast as permissible. And so that we should not even recall how much broadcast time we had previously, we should now forget the "old" situation, and defend only the existing hour and a half. This is where we end up if we lose sight of the big goal and fight to achieve petty objectives. Another example: the issue of the sign on the Gyergyoszentmiklos [Romanian name unknown] station. The story is the same. This struggle over the sign becomes the issue, and not the matter of clarifying issues of principle. A step further is the issue of language use, and our constitutional right to use our language. Yet another example: The notice of dismissal given to Mrs. Tulit and the suspension of the position of Hungarian chief school superintendent. Ever since this struggle began three or four weeks ago, no mention has been made anywhere that we demanded the right to elect our own official staff, i.e., the right to elect the chief school superintendent for Hungarian language education, so that this position be filled by a person whose native language is Hungarian, a person we, the Hungarians of Romania deem to be best suited for the job. In other words, that we may elect our leaders, and that those leaders not be nominated or dismissed by anyone else. And if a superior body still objects to a person, for instance because of refusing to implement a higher order, we would examine the validity of the charge, and once proven true, we would still sustain our right to decide who should replace such a person. Or take for instance one of the totally absurd, unrealistic attacks. The one which called for taking Suto to court. Our response was defensive: We swore that Suto was not at fault! This is a humiliating situation, they are humiliating us. Or yet another matter: the 22 December murder of a policeman in Udverhelyszek [Romanian name unknown]. We did not defend the principle that at the time of the murder a revolution was in progress in which the old and the new clashed, and that unfortunately this led to some bloody events. Instead, we were trying to defend the three people involved in that murder, without success, of course. Finally, did Hungarians seek legal remedies from the International Court of Justice? If not, why?

In summary, now we may see how many issues an exchange of letters can bring to the surface. I must agree with Eva Maria Barki: It seems that the RMDSZ was unable to establish an appropriate strategy, and to an even lesser extent tactics by which our goals could be realized. We must recognize that the RMDSZ is making great efforts and is struggling at every level, and we should respect our representatives, the local organizations, and their leaders and members for being willing to fight, and for investing so much energy. Nevertheless, since we do not score results, the tactics applied by those

in power cause us to increasingly retreat from the positions we acquired amid the fire and force of the revolution, and slowly we are losing everything. We have not made progress in any respect. This should serve as a warning to Hungarians of Romania: We are indeed in a state of ultimate danger, and we will perish without mercy unless we change our methods. We will lose our schools, even the ones which presently exist, because the administrative maintenance of these schools is not our job. At the beginning of each school year we must weigh one by one the number of classes they permit or "give" us, and where those classes should be held. If we are unable to obtain as many classes as our nationality needs in order to have functioning independent schools, we are once again gradually pushed to the peripheries as a result of the already familiar tactics.

For this reason, I find it necessary to convene the RMDSZ congress. With the involvement of all potential forces, we must develop a feasible new strategy and the corresponding tactical step which will lead us to the achievement of our goal in the present, extremely difficult circumstances. And whatever that certain tactical step may be, one matter must be elevated to the level of principle by all means. We must react to every small matter by relating such matters to the large context. We must fight from the foundations of principles. We must research the models that exist in European democracies, we must seek allies for our cause both within and outside of Romania, and in the course of our struggle we must explore and take advantage of every legitimate channel consistent with present international standards. [passage omitted]

PUNR Statement on Minorities Attacked

91BA0460B Bucharest ROMANIA LIBERA
in Romanian 30 Mar 91 p 2

[Article by Virgil Lazar: "PUNR [Romanian National Unity Party] Publicly Accuses the Front"]

[Text] A declaration was released in Cluj by PUNR [Romanian National Unity Party]. Although the declaration reiterates the familiar "theses" of this political group, some points of emphasis are worth noting. Thus, the declaration stated: "Faithful to the principles sanctioned in its statute and program, the PUNR made intensive efforts and to a large extent succeeded in sensitizing the Parliament, the president, Romania's government, and many Romanians to the threat posed to our country by the policy of Hungarian irredentism aimed at annexing Transylvania to Hungary. This policy is being coordinated from Budapest and is implemented in Romania with the direct help of UDMR [Democratic Association of Hungarians in Romania] and of some Romanians who do not know what they are doing.

"As Romanians, we were pleased with the resolution adopted by the FSN's [National Salvation Front] national convention on the ethnic issue and with the principled and firm policy that this party intended to

promote. As the government party, the FSN was obligated to the country to produce a resolute and timely solution to the ethnic issue. But it did not. Now, realizing the massive inclination of the Romanian electorate toward PUNR—the only party that unequivocally tackled the national problem—the FSN is trying to win back some of the people to its policy. In order to ensure that the FSN resolution is indeed implemented, and especially that this party contributes to resolving the national problem, PUNR suggests that at least now the FSN, as the governing party, resolve the following issues...."

The demands with which PUNR now tries to force the Front into a corner are also generally familiar thanks to frequent addresses in Parliament by deputies and senators of that party. Nevertheless, to demonstrate what PUNR wants, we sum up: Give up the wording of Article 7, paragraph 2, subhead 1 of the draft constitution, which recognizes and guarantees "the right to preserve, develop, and express the identity of all the national minorities in all economic, political, cultural, religious, legal, and social areas;" return to the very controversial article voted in subhead II, chapter III regarding the citizens' basic obligations, which PUNR believes was put up for vote "only in order to allow some Hungarians who fled from Romania to Hungary to become candidates and to once again become senators and deputies in the Romanian Parliament." (Curiously enough, the declaration does not say one word about former PCR [Romanian Communist Party] nomenklatura members, who should have been the first subjects of the respective interdiction for a period of at least five years—ed. note); ensure conditions to allow Romanians chased out of Covasna and Harghita Counties to return to their homes; put on trial people who committed crimes in Transylvania after 22 December 1989, from inciters to perpetrators (once again we note that those shot in the streets in some cities before and after 22 December by the Army, by "terrorists," and by Interior Ministry forces fell victims to amnesia); eliminate separatism in schools; modify the decision of the provisional government by which conditions were created in order to provide high school education for young Hungarians in all socioeconomic areas "for the purpose of training the labor force for a future and illusory Hungarian administration in Transylvania;" punish all those guilty of illegally changing the names of localities, streets, or institutions from Romanian into Hungarian, and so forth, including a demand that each minority in Romania have a representative in Parliament, something that should be sanctioned in the Constitution.

Drafted in an ultimative style, the declaration also demanded: "The national problem must be quickly resolved and the Hungarian minority must be deprived of its privileges to bring it to the level of internationally accepted minority rights."

This entire series of accusations and demands is pointedly and sharply directed at the current authorities and the declaration itself was released in order to make

trouble for the government with the electorate, its authors being aware of the fact that many future votes will be swayed by the response which will be provided, if any. Thus, in actual fact this was the first long shot in an offensive opened by PUNR against the Front. The question is, will the Front allow itself to be dragged into a nationalistic campaign of such magnitude at this stage, when we have not made it beyond the gates of the European Council? We shall see!

Skeptical View of Attack on Dissident Mazilu

91BA0443A Bucharest ADEVARUL in Romanian
8 Mar 91 pp 1, 5

[Article by Sergiu Andon: "Damaging a Political Corpse"]

[Text] On 1 April it will be one year since I predicted ("Daily News" in ADEVARUL No. 83/1990) that the only thing left for Dumitru Mazilu to do is to run for the pope's seat, which he will probably do. My assumption, occasioned by April Fools' Day, was based on the extraordinary capacity of this champion of versatility to easily go from the pathetic to the ridiculous and back again, and to regenerate his public image after the most accomplished crimping and smearing so that later it can once again be crimped and smeared. It is true that this back and forth movement is not exclusively the outcome of his own efforts but has also benefited from luck. But as we know, luck helps the industrious, in this case, read "the unrelenting."

Going back to the most recent improvement in D.M.'s image, we see that however daring it may have seemed at the time, last year's prediction has been outdone. Dumitru Mazilu is not merely running for pope, he's running for martyr. With its well-attested perseverance, a certain category of Romanian and foreign press may well request that tomorrow, the day of the Forty Martyrs, be made the day of the Forty plus One. May God forgive us!

These lines may seem cynical, but in reality they are tortured by the seriousness of the present situation. We sincerely deplore the aggression committed against our tragically ridiculous dissident perhaps more than he does himself. For him, once the danger has passed, all that is left is to turn the adventure to good account. We hope that the wounds were not serious and will not leave scars, but if God forbid they do leave the tiniest mark, the great protester will skillfully exhibit it to impress the public, just like beggars profitably exhibiting their stumps on busy street corners. As for the rest of us, we are left with the bitterness, revulsion, and fear of fatality inspired by the contact with the traces of a tragedy, semitragedy, minitragedy, or microtragedy.

However doubtful a character Mr. Mazilu may be for some—as a man, as an activist, as a former Securitate member, as husband to a first wife, as a teacher, as a personality, etc.—he is our dissident and we will not allow anyone to touch him! As the children in one of

Mircea Crisan's jokes were telling other children who were watching a funeral through the fence (in the joke, of course): "What are you looking at? He's not your corpse, he's ours!"

The same with our dissident. Ridiculous or not, he was a dissident! What? Was he the only hero or embarrassing facet of our cold-footed anticommunist resistance? That is who we have so that is who we shall venerate, and more shame on us for not having been able to take their place, for having been conformistic, cowardly, and indifferent and for not having formed a dignified and credible resistance at the right time. Was it by chance that the revolutionary stage was invaded by actors? Not at all. They were spontaneously reacting to a dual reality: The fact that the revolution had no players for the "role" of leaders, and the fact that until then the entire nation had been role-playing. At the culminating point of a historic spectacle it was only natural that the front stage should be taken by those who had learned the tricks in the course of their job.

After all, we do not really know what historical figures and symbols looked like to their contemporaries. Why not admit that even Marat had nervous tics? Maybe Danton, too, looked like he was catching flies and was pulling at his sleeves when he talked. How do we know that Robespierre's eyes were not popping out of his head whenever he climbed up to yell, "*en bas* [down with] so and so!" I bet that the Phrygian cap was nothing but an ugly, humiliating bonnet (considering that it was worn by liberated slaves) before it became the symbol of a revolution and of a great state. So it behooves us to ignore the petty side of heroes, especially since we do not have any better ones. Let us accept the archetype that is our spitting image and be happy that others abroad went to all that trouble and expense to gild them.

But from now on we want to be left alone! We do not want anyone else to even look at them! They have grown up, now we can venerate them ourselves. And no one has better injure them. And when they are on others' territory, let them, the foreigners, watch them like the apples of their eye. How dare they, the Swiss authorities, to have a bona fide dissident like Mr. Mazilu in their bailiwick and not guard him like the apple of their eye?! What sort of democratic state is it? Is that a cantonal police and federal security to be proud of? Did not Mr. Mazilu himself tell you that Europe is crawling with former securists looking for him? And it is not as if only the Securitate had some accounts to settle with Mr. D.M.; so did the CIA and some other secret services.

Already some people are trying to trivialize the seriousness of the attack. It is true that Mr. Mazilu's curriculum vitae shows a fatal predisposition for hyperbole. His work in the Securitate was blown up; the death of this first wife acquired the interpretation of a Greek tragedy; the swindle with the fake document from the Foreign Ministry became the snowball that triggered the avalanche of international protest; his trumped-up reports have instant access to the bulging UN archives; scientific

sterility is converted into university fame; the half-hearted stake in the night of 22 December 1989 became the chief article of accusation against the most feared heads of the repressive apparatus; the already sad number of victims of the Revolution was multiplied by 60; the attack of paranoia staged on a tank in Victoria Square almost set afire a state that on that day had no firemen.... Everything about this character tends to become strident and dramatic.

Who had the morbid idea of attacking or simulating an attack on a political cadaver? Only someone who wanted to once more capitalize on his potential for reverberation, not unlike some hooligan kicking a tin can at midnight just to wake up the bourgeois.

However, the incident in itself was extremely regrettable both for the victim and for Romania's reputation. Even if Mr. Dumitru Mazilu had cut himself shaving and had seen masked faces in the bathroom mirror while in a fit of madness (this is mere hypothesis, of course!) such an incident is still undesirable. It was an attack and what is more, an act of violation of one's home. Blood is blood, pain is pain, and freedom is freedom regardless of who and what the victim may be. Attacks, however minor or doubtful, on a notorious person, whatever the reason for the notoriety, on the territory of a state equipped with democracy, hospitality, international importance, police, and some of the most awesome psychiatric clinics, is unpardonable.

P.S. We want to solemnly ask the Swiss authorities to reinforce their watch over other Romanian dissidents who found a haven in their confederacy, primarily over personalities close to Mr. Mazilu in importance and merits. I am referring to Mr. Lupoi!

YUGOSLAVIA

U.S. Support to Premier Markovic Scored

91BA0465A Belgrade POLITIKA in Serbo-Croatian
31 Mar 91 p 7

[Editorial: "Whose Support for the Prime Minister?"]

[Text] At just the moment when the entire Yugoslav public can see as clearly as on the palm of its hand the rapid and far-reaching spread of agreement on the necessity of raising the issue of the position of the present chairman of the FEC [Federal Executive Council] and of his policy—which has been defeated in every democratic electoral consultation in the country we share—the well-timed and unannounced personal message from U.S. President Bush to Prime Minister Markovic is a direct intervention in our domestic political arena.

No one doubts, of course, that to some extent that was already the case even before now. From now on, however, it must be noted that this involvement has become direct and does not even heed in rudimentary form the customary practice in such situations. In the case of a

country that long ago lost its independence and dignity, which is the most common case among the banana republics in Central America, expressions of "admiration" from such an expert president as the President of the United States leave no room for any doubt whatsoever. The outside world has already become quite accustomed to that. Up to now, it has been different with Yugoslavia. America is now seeking to totally ignore the movement of democratic attitudes in our country and the consensus recently reached in Split among all the democratically elected governments and among almost all of the presidents. It is simply trying, in spite of everything, to prevent any questioning of the position of the FEC and its chairman in more or less this way: You in Yugoslavia (not only in Serbia) can think what you like, but you are not entitled to argue over the position of the prime minister and the government which we support. If you thought that that was possible, then we are telling you here and now that you were deceived.

It is really difficult to escape the sense of a certain humiliation when one is confronted by documents coming from esteemed foreign figures when a country like Yugoslavia is in question. Even when we fell to the lowest point in our history, people abroad were not naming our prime ministers and the members of their cabinets. According to the assessment of our correspondent in Split, all those who attended last week's final meeting of the six elected presidents of the Yugoslav republics with representatives of the press concurred in the assessment that it is improper to promise acceptance in Yugoslavia, in spite of all the differences, of direct foreign intervention in support of the survival or removal of the Yugoslav prime minister. In most of our country, this is simply unacceptable to the people, and thereby to its elected representatives as well.

The trouble, however, is that this kind of tactless support from a foreign power for a government which obviously does not enjoy full democratic support in the broadest circles of its own state, is taking place at a time when only the structures inherited from the times of the one-party Yugoslavia and the Law on Associated Labor are still supporting the policy of the FEC and are prolonging the government's life. Democratic elections have been held in all our republics. All our republic governments (the governments of the state-republics, which also constitute the only possible guarantors of what is left in common if Yugoslavia continues to be a community and does not fall apart) have today been elected democratically. Hardly a one of them deems that the FEC policy up to now has been good and realistic. Almost all agree that that policy in fact is premised solely upon a semiabstract conception of conditions and has thus directed itself toward that imagined situation in Yugoslavia and its economy, which is not even close to the real situation. The federal bodies, elected (it would be more accurate to say not elected) in the old way, are supposed to be a counterweight, by means of a fiction concerning democracy with which we have been living since 1974, to the entire process of full democratic

renewal and transformation in the fight to retain the FEC which, we now see, enjoys the support of the greatest power in the contemporary world.

The matter is all the more disturbing because it seems to indicate a very dangerous misunderstanding of what is actually happening. There can be no question, that is, that this is the struggle of a supposedly "uneconomic" system of government to survive under the conditions of what is supposed to be a market economy.

The best evidence of this, incidentally, lies in the views and reflections of business executives themselves, beginning with those who are assembled in the Federal Economic Chamber. Thus, even the most effective and dynamic centers of up-to-date business activity in the country are thinking more and more openly about the disastrous balance sheet of the government in Yugoslavia. No serious person is, nor could be, against the opening of economic borders, exposure to competition, nor even the appropriate degree of rapid reprivatization. Provided, of course, it does not come down to an urgent and chaotic sale utterly devoid of economic optimality, which among other things would mean the utter collapse of all hopes of any kind of dignity and independence even in spite of the constructive processes taking place in Europe.

These are all truths that are advancing on a broad front and cannot be turned aside with general accusations and formulas, nor even by the very familiar charming smiles that instill calm even as the ship is sinking because the water is coming in on all sides.

Surprisingly, but perhaps not so unexpectedly, the public campaigning on the part of the U.S. President in support of a prime minister in jeopardy who has lost the support of the immense majority of the democratically constituted bodies in our country has, then, completely exposed the cards, or, we might have said, removed the masks. The real topic now is actually this: Whose support in Yugoslavia is more important to the government: that which has been confirmed from abroad, or that which has been lost in the country?

Anything else would simply cloud the truth and foster dangerous illusions.

Text of Joint Proposal on Future Yugoslavia

*91BA0437B Split SLOBODNA DALMACIJA
in Serbo-Croatian 25 Mar 91 p 2*

[Text] Because of the disagreements that arose in part of the public as a result of TANJUG's previously broadcast text on the joint proposal concerning the future of the Yugoslav community, we are publishing the entire text of that document except the section on freedoms and human rights and security. The joint proposal on the future of the Yugoslav community reads as follows:

On the basis of resolutions of the SFRY Presidency dated 1 March 1991, a meeting was held on 11 March

1991 of the joint republic-province group of experts in which a joint proposal was approved concerning the functions of the Yugoslav community in the areas of the economy, defense and human rights, foreign policy, international relations, and security.

Joint Economic Functions

1. The economic interests basic to creation of the Yugoslav community (confederation, federation, etc.) is guaranteeing the common market. It is also a common interest to be included in the integrative processes in Europe, and that is why the republics, as members of the Yugoslav community, will gradually bring the elements of the common market into conformity with the norms and standards of the European Community.

2. The region of the Yugoslav community is a common market, and on it there is a free flow of goods, services, capital, and manpower. It is prohibited to discriminate among the citizens of the republics as members of the Yugoslav community with respect to employment, remuneration, and other working conditions.

3. All forms of ownership are equal and have the same status with respect to economic conditions and legal protection.

4. On the territory of the community, enterprises and branches may be freely established, and their activity is conducted under equal conditions.

5. There are no customs duties between members of the Yugoslav community, and there is a uniform joint tariff regime toward third states.

6. Development policy may be joint policy in certain areas. This also includes regional development policy, with special emphasis on the economically underdeveloped regions, based on the principles of the policy of the European Community.

7. Especially in view of present circumstances, a joint, but very stimulative policy will be conducted concerning investment of foreign capital, which will be backed up with solid government guarantees (alternative of Croatia and Slovenia: Instead of the words "government guarantees," insert the words "guarantees of the member states").

8. Policy is to be coordinated in the Yugoslav community in the fields of transportation, communications, fuel and power, and agriculture, and technical-technological systems are to be coordinated in the areas of transportation, communications, and fuel and power.

Proposal 1: Croatia and Slovenia

Every member state has its own currency, except that they may also have a common accounting currency. The joint areas of the member states of the Yugoslav community would be a customs union, a common market,

conformity with European standards, and a monetary union, in keeping with the proposed variants in the model of the confederation.

Proposal 2: Serbia, Montenegro, Bosnia-Hercegovina, Macedonia

1. A single joint currency would be valid in the territory of the Yugoslav community, which would have a single central note-issuing bank. That common currency would be very firmly tied to the ECU (European Currency Unit). Accordingly, and consistent with present possibilities, transactions in international payments would be tied to that monetary unit, and the stability of the dinar over the long run would abide by the rules of behavior of the European Monetary System (EMS), or the rules of behavior of the future European Monetary Union (EMU).

2. The region of the Yugoslav community would have a uniform system governing monetary affairs, banks, foreign exchange, foreign trade, customs, and foreign credit relations. In the joint area, there would be uniform joint policies governing monetary affairs, foreign exchange, foreign trade, customs, and foreign credit relations. The tax system is based on uniform foundations. On all these issues, decisions are made in principle on the basis of consensus of the members of the Yugoslav community.

Defense

Proposal of Croatia and Slovenia

Every member state has its own armed forces. At the level of the confederation, there is coordination and mutual adjustment of defense preparations; these tasks may be organized within a council of ministers which coordinates strategic affairs, and a council of defense ministers which decides specific questions.

Should aggression occur, the presidents of the member states constitute the sole command of all confederal forces, and it directs defense of the confederation or a part of it.

Every member state furnishes within the confederation the agreed size of its own armed forces and furnishes the minimum established amount of resources for defense preparations.

Every member state independently decides on the nature of the military service (a professional army or one based on the draft), and independently conducts the training of soldiers.

The member states may agree on uniform organization of certain types or branches of the armed forces (for example, air force, air defense, navy), and on uniform training of members of those types of branches, and to that end they provide the funds necessary for that on a proportional basis.

The member states of the alliance finance the maintenance of that portion of their own armed forces which

they place under the joint command of the alliance, and also the expenses of their military involvement.

1. Alternative for the second concept:

Aside from the armed forces possessed by each member state, in case of an immediate military danger or war the confederation could also have joint armed forces in the form of contingents. The commander is appointed by the members of the confederation by agreement.

2. Alternative for the second concept:

Aside from the armed forces possessed by each member state, the confederation could also have joint armed forces in the form of contingents. The commanders are appointed by the members of the confederation by agreement. This concept would be applied in the period before possible demilitarization.

Proposal of Serbia, Montenegro, Bosnia-Hercegovina, Macedonia

In the concept adopted by Bosnia-Hercegovina, Serbia, Macedonia, Montenegro, and Vojvodina, defense should be based on the preparation and participation of all the country's resources for preservation of the independence, sovereignty, territorial integrity, and constitutional order of the Yugoslav community as a whole and of each member of the Yugoslav community.

The following are organized on behalf of effective achievement of those goals:

- The armed forces.
- The civil defense system.

The armed forces of the Yugoslav community are unified and consist of a peacetime segment, which is numerically smaller, but mobile, and maintains a high level of combat readiness; a segment which is replenished, or reserves; and territorial defense, which represents the Partizan-territorial form of military organization intended for performance of the military-territorial function in peacetime and wartime, and for large-scale combat operations in the rear of the enemy, when the conditions come about for that.

The civil defense system consists of the following: the organization, training, and activity of citizens and socio-political communities in defense and protection, civil protection, and the system of observation and reporting. In the organization, training, and use of the civil defense force, the republics, as members of the Yugoslav community, have full powers. The areas of competence of the bodies of the Yugoslav community are as follows in the field of defense:

- Establishment of defense policy, doctrine, and strategy.
- Decisionmaking concerning war and peace.
- Decisions on military alliances.
- Organizing, equipping, developing, training, financing, and using the armed forces.

The jurisdiction of members of the Yugoslav community is as follows: organizing and equipping territorial defense and organizing, equipping, and committing civil defense. The commander in chief of the armed forces of the Yugoslav community in peacetime and wartime is the nominal head of state.

Staff functions and other technical functions to meet the needs of military command, and performance of administrative functions in the domain of defense, are in the jurisdiction of the defense minister of the Yugoslav community.

The head of state exercises command in peacetime and wartime through the defense minister or through the Supreme Command Headquarters.

Within the armed forces of the Yugoslav community, appropriate ethnic representation is ensured within the leadership, and the party structure is eliminated. The armed forces should be modern, optimally conceived, and depoliticized.

Remark: The opinion was also expressed in the group that a generally acceptable solution might be found if the concept of defense were based on the following basic option:

1. The Yugoslav community (confederation, federation, or whatever) has joint armed forces. Aside from the joint armed forces, each member state of the Yugoslav community has its own armed forces.
2. The members of the Yugoslav community establish a mutual security system against external attack and a common defense system.
3. The armed forces of the member are under the jurisdiction of the president or Presidency of the members in peacetime, while in wartime they are under the command of the Yugoslav community (Croatia and Slovenia are not in favor of this proposal).

In order to reach agreement on the conception of defense of the Yugoslav community and to arrive at a generally accepted solution, the opinion was also expressed in the group that the following questions should be decided in working out the model of joint defense: the structure of the command system, the use of language, the location of training facilities, the functions of defense, the manner of decisionmaking concerning use of the armed forces, elimination of political influence and the party structure, and optimalization of the armed forces.

International Relations

First Proposal (Croatia, Slovenia, Macedonia)

In the area of international relations and foreign policy, each member state of the Yugoslav community (confederation, federation, or whatever) is an entity in international law which assumes obligations under international law directly.

It is also supported by Macedonia.

The members of the Yugoslav community will not conclude treaties which are opposed to the interests of the Yugoslav community or detrimental to those of certain members.

The members define the principles and manner of conducting the joint policy of the Yugoslav community in the area of foreign affairs and international relations, they collaborate with one another in the area of foreign political activity, and they coordinate their international activity.

Second Proposal (Bosnia-Herzegovina, Montenegro, Serbia, Vojvodina, Kosovo, Macedonia)

The Yugoslav community has powers in international law in accordance with the document regulating relations in the community.

The members of the community have powers in international law within the limits of the agreed foreign policy and international treaties.

The members of the Yugoslav community will not assume international legal obligations and political obligations which are contrary to the interests or detrimental to the community or individual members.

The members define the principles and manner of conduct of the joint policy of the Yugoslav community in the area of foreign affairs and international relations, they cooperate with one another in the area of foreign political activity, and they coordinate their international activity.

Supplement to the Proposal From Macedonia

The members of the Yugoslav community may have independent or joint representative offices in third states and international organizations.

Spegelj on Croats' Readiness To Oppose YPA

91BA0437A Zagreb DANAS in Serbo-Croatian
26 Mar 91 pp 11-13

[Interview with Martin Spegelj, Croatian defense minister, by Zeljko Kruselj; place and date not given: "How To Defend Ourselves"]

[Text] Although the SFRY Presidency did not adopt the measures said to be indispensable for the protection of the country's territorial integrity, which is actually a euphemism for military intervention, the political situation in Yugoslavia is far from any long-term relaxation. A new threat has come from Supreme Command Headquarters, this time in the form of the right to make an internal assessment of the need for increasing the state of alert of units of the Yugoslav People's Army [YPA], regardless of the position of the commander in chief, that is, the Presidency of the state. At the same time, Slobodan Milosevic has ordered "legal arming of Serbia"

and mobilization of the reserves of the republic police. There was also a meeting of the Council for Protection of the Constitutional Order of the Republic of Croatia, which reiterated the determination to defend Croatian sovereignty.

Those events provided strong motivation to interview General Martin Spegelj, retired, defense minister of the Republic of Croatia. There were a number of practical problems encountered in doing the interview, above all those problems caused by the announcement of the military authorities that a trial would soon be organized in Zagreb for Spegelj and the entire "Virovitica group" in an attempt to put the entire defense policy of the top Croatian leadership on trial. They seem to be persisting in this in spite of the position of that same top army leadership whereby it denies responsibility for disarming the so-called paramilitary formations over the entire territory of the Yugoslav community.

"I certainly will not appear," Spegelj explains, "in the military court because it is more than clear whom that courtroom farce is meant to serve. A segment of the top army leadership and the prosecutors and courts devoted to it are behind all that. I continue not to confuse them with the entirety of the Yugoslav People's Army because a substantial portion of the officer corps does not think that way, nor does it see its future in an outdated concept of a politicized army, as some at the top say, as the sole guarantee of peace in Yugoslavia."

[Kruselj] How do you evaluate the most recent announcement of the Supreme Command Headquarters allowing all the other federal units what has been forbidden to the Republic of Croatia?

[Spegelj] I would first mention that there is no Supreme Command Headquarters as a peacetime institution, and it is not altogether clear why the announcement of the SSNO [Federal Secretariat of National Defense] should nevertheless appear under that title. Perhaps it is a title which is supposed to make an impression, or perhaps we are in a state of war with someone, and the Supreme Command Headquarters has been established; in wartime, it would be made up of a segment of the SSNO and the General Staff. As far as I know, thank the Lord, there is still no war, and the title of Supreme Command Headquarters is probably the product of people who wanted to spread fear and let it be known that that nonexistent headquarters would perhaps like to acquire the discretionary right to act on its own. That would be dangerous, but I would add that threats, at this point I can say this with complete certainty, are as unsound as they are impracticable because there has been a definitive change in the balance of power to the advantage of the democratic options. In any case, my assessment of the announcement of the "Supreme Command Headquarters" as a whole is negative. It is shot through with many contradictions, but also with threats of force at points where it is absolutely inapplicable, much less effective.

Why, for instance, is only the Yugoslav People's Army mentioned concerning defense of the borders of the SFRY? Where are the other armed forces of the SFRY? What happened to the conception of nationwide defense? Or is it not a question of a possible foreign aggression, but of disciplining certain sovereign republics by the use of arms? Or, in what manner could the Yugoslav People's Army prevent a civil war or interethnic armed conflicts, whom would it be attacking, and whom defending? How would this be technically feasible at all? It is obvious that there is something else hidden here, not "refusal to allow interethnic conflicts and civil war under any conditions." It is still less clear how the Yugoslav People's Army might prevent interparty disputes. Does this mean that the LC [League of Communists]—Movement for Yugoslavia is an organization above political parties and so would use force to discipline the other parties? I agree that we should provide financing to the Yugoslav People's Army to cover personal incomes, material costs, pension benefits, the costs of training recruits, and so on. But even that should be consistent with the immense difficulties which society is having in this regard throughout the country. I also agree with respecting the provisions of the military obligation, which is in keeping with the SFRY Constitution, but it does not say there that 50 percent or more of the recruits cannot do their military service in their own republic. I also agree with the return of territorial defense to the system of direction and command established by the SFRY Constitution, but not with the enactments of the SFRY Presidency, because on the main questions they are unconstitutional. The territorial defense of the republics in peacetime, under the SFRY Constitution and the constitutions of the republics, lies in the exclusive jurisdiction of the republic presidencies. The act of disarming it was nothing other than preparation so that the political, governmental, and economic destiny of the sovereign republics might be dictated—as some have thought, and some think even now—by an armed force, that is, the Yugoslav People's Army, that has become independent.

[Kruselj] Information was "leaked" to DELO in Ljubljana to the effect that the original announcement of the Supreme Command Headquarters was not complete, but that it also contained a secret addition to the effect that the headquarters had the discretionary right to determine the level of alert of the armed forces over the entire territory of the federation on its own and according to need. At the same time, the top army leadership is constantly referring to the Constitution. How are such contradictions to be reconciled?

[Spegelj] I would not say that the secret addition to the communication of the Supreme Command Headquarters was brought to light in DELO in Ljubljana. That section was in the document of the SSNO dated 19 March 1991 which was sent to the SFRY State Presidency. Again without signature, to be sure, but using the name of a nonexistent institution, that is, the Supreme Command Headquarters. The last paragraph of that

letter, for example, says, and I quote: "Increasing the combat readiness of a segment of the units of the Yugoslav People's Army will be done exclusively as a function of development of the situation and the specific circumstances." And the second paragraph acknowledges that the Supreme Command Headquarters is a technical and professional body, but "is not relieved of responsibility for the country's survival and security, that those are its constitutional obligations and responsibilities which it must discharge unconditionally."

In a text written in that fashion, there are many things that are unclear and contradictory. But one can still suspect that the Supreme Command Headquarters is supposed to take responsibility for the country's survival and security regardless of what the sovereign republics, the FEC [Federal Executive Council], the SFRY Assembly, and indeed even the Supreme Command think about that.

[Kruselj] The announcement of the Council for Protection of the Constitutional Order of the Republic of Croatia has emphasized once again that in case of military intervention Croatia will defend itself "by every means." What does this mean exactly? What guarantee is there that Croatia will succeed in that?

[Spegelj] This is not the first time that we have issued a warning from a meeting of the Council for National Defense and Protection of the Constitutional Order of the Republic of Croatia that the sovereign Republic of Croatia will defend itself against violence, including possible military intervention, and will do so precisely, just as you say, "by every means." What does that mean? Well, here, I will begin with the meeting of the leaders of all the parties of the Republic of Croatia, where full unity was reached with respect to the defense of Croatia. A multiparty Council of National Protection was composed, multiparty committees and multiparty national defense detachments are being formed all over Croatia. Millions of our citizens can go into the streets in a moment under their direction, without arms and without violence. And then what armed force is it that would be able to run over an empty-handed population with its tanks? Does that kind of military rabble exist today? I purposely began with that peaceful defense of Croatia. In addition to that, Croatia is also a sovereign state, it has its own institutions, and it has a force of 40,000 whose equipment is up-to-date. The thesis of ultimate success can be confirmed just with these two segments of defense of sovereign Croatia. That, of course, is not all. We would call upon all the democratically disposed forces of Yugoslavia, Europe, and the world. That, I think, is quite enough so that a possible armed action would not only fail, but it would be defeated irrecoverably. Unfortunately, that could not be done without casualties. That is why we need to talk, to negotiate, to learn from the civilized world, to establish and respect a legal order that is fair and equal for everyone, and try to resolve the economic issues which even now are in an almost hopeless state. Europe and the entire democratic world are showing us more and more understanding and are

distinguishing more and more who is who in Yugoslavia, and they are making their commitment on the basis of that knowledge. Croatia, along with all the republics which have gained their sovereignty through elections, has chances of defending it. And as time passes, it is becoming more and more capable of that. That is why the forces of repression and dogmatism are in a great hurry, and anyone who is in a hurry makes mistakes.

[Kruselj] President Tudjman has been appealing to the traditions of Macek's Rural and Urban Protection. How could that form of resistance, which at one time was formed to spread the Chetnik organizations throughout the population in monarchist Yugoslavia, fit in the concept of Croatia's defense today?

[Spegelj] I do not know. I had not heard that the president of the Republic of Croatia had alluded to the traditions of Macek's Rural and Urban Protection. Still less do I believe that the prewar spread of the Chetnik organizations through the population could be compared with the present concept of Croatia's defense. There is no connection whatsoever either in the organizational system, method, or purpose of establishing national defense today. Our national defense is multiparty, it embraces 11 political parties of Croatia representing about 82 percent of their voters. You will agree that this is something quite different from Rural Protection or detachments which increased the numbers of the Chetnik organizations. They were organizations of a single party, and these are multiparty organizations. Whether or not in our Law on Defense we will adopt the conception of popular self-defense in addition to our own military force is yet to be seen; again it would be a multiparty force, that is, it would be the right and obligation of all citizens of the Republic of Croatia.

[Kruselj] What are the powers of the National Protection Council in the opstina vis-a-vis the regular and reserve segments of the Ministry of Internal Affairs?

[Spegelj] The national protection councils have only one specific task, and that is by a mass outpouring of unarmed citizens of all ages into the streets, crossroads, bridges, and approaches to prevent the forcible overthrow of the democratically established government. They are strictly separate, then, from the forces of the Ministry of Internal Affairs. Of course, the forces of the Ministry of Internal Affairs would not be standing idle either because they would have to answer force with force.

[Kruselj] The dramatic events in recent days have given relevance once again to the problem of jurisdiction concerning the Yugoslav People's Army. How do you interpret rights and duties in the triangle consisting of the SFRY Presidency, the Federal Executive Council, and the Supreme Command Headquarters?

[Spegelj] Even if they did not have that dramatic aspect, it would be quite fitting to clarify the problems of jurisdiction concerning the Yugoslav People's Army. Josip Broz was the commander in chief of the armed

forces, and in addition president of the state and the party, and he also had numerous other functions, even when he was quite advanced in age, so that there objectively was an informal transfer of some of the powers of the commander in chief to the federal secretary for national defense. I hold that since that time federal secretaries have unjustifiably and unconstitutionally been appropriating immense power over the armed forces. This has been evident for a long time now, but because of all the friction between the republics, friction that was occurring at the federal level, the question of powers, the close definition of the rights and jurisdiction of the Federal Secretariat were never put on the agenda. We are now paying dearly for that. This should have been done much earlier. It is not a question, then, of this problem being particularly difficult, but simply of clarifying and respecting it. The SFRY Presidency is the collective supreme command of the armed forces. By its decision it transferred certain powers and certain of its rights to the Federal Secretariat. It is mainly a question of transferring powers and authority to handle specialized and professional matters. As the supreme command under the SFRY Constitution, the Presidency may not transfer to anyone the right to command the armed forces, either in peacetime or wartime. And it is that right which individuals or extremists at the top level of the Army are now themselves usurping in various ways. That is why even the most obvious use of the Yugoslav People's Army for a demonstration of force or even an armed threat, as in Pakrac, are proclaimed military exercises. Only the SFRY Presidency has the right to raise the combat readiness of the Yugoslav People's Army to a higher state of alert. In short, the SSNO may propose, but it is the SFRY Presidency that decides on use of the Yugoslav People's Army, on emergency powers, and so on, but even it must do so consistent with the SFRY Constitution. And as far as the Federal Executive Council is concerned, its jurisdiction with respect to the armed forces consists of financing military production, interarmy cooperation, and the proposal to the SFRY Assembly of various laws and regulations pertaining to the Army and the armed forces.

[Kruselj] We recently confronted the rather unusual situation in which Veljko Kadijevic, minister in the government, came into direct conflict with the federal prime minister. Do you think that the military minister should have resigned?

[Spegelj] At the federal level, of course, there is no minister of war, but there is the federal secretary, who on certain matters is subordinate to the chairman of the Federal Executive Council. So that if on these matters the subordinate does not adhere to the decisions or even opposes the decisions of the federal government, not only should he submit his resignation, but at the request of the prime minister the SFRY Presidency ought to remove that same federal secretary. That much at least is clear.

[Kruselj] In an interview with VECER in Maribor, General Konrad Kolsek, commander of the Fifth Army

District, declared that military units had prevented a bloody outcome in Pakrac. Do you agree with that assessment of the Pakrac events?

[Spegelj] I have not read VECER from Maribor, nor the interview of General Kolsek, commander of the Fifth Military District, in that paper, but I solemnly declare that units of the Yugoslav People's Army sent to Pakrac actually brought matters to the very verge of bloodshed, not the other way around. That is a substitution of terms and a flagrant distortion of the truth. But it is not a question just of the truth, but also of the fact that what happened in Pakrac was the kind of case that belongs in the exclusive jurisdiction of the Republic of Croatia and the Ministry of Internal Affairs. The prelude to the Pakrac events is well known. Policemen of Serbian nationality disarmed police of Croatian nationality, and the opstina inclined toward the so-called Knin Krajina. At that point, the Ministry of Internal Affairs intervened. Units of the Yugoslav People's Army came to prevent that. I leave the public to judge the role and "truth" presented by General Kolsek.

[Kruselj] General Kolsek doubts the constructive outcome of the breakup of the Yugoslav federation, at least when it comes to the military aspect of that problem. How do you see the functioning of the armed forces in future sovereign units in a confederation? What would be their relation to the sovereign republics, and how would this affect what is usually called their "unity" and "combat readiness"?

[Spegelj] Doubt or belief as to the constructive outcome of the breakup of the Yugoslav federation is not merely a matter of personal reflection, but no one can prohibit it. If Admiral Mamula says that dissolving the federation cannot take place without bloodshed, then it is understandable that General Kolsek can at least suspect that this might happen. That dissolution is alleged to be very serious from the military standpoint, in the military system. Back some eight months ago I presented in public possible ways in which the armed forces can be organized in a confederal organizational form of society. If all the constituents of the Alliance or confederation have accounts settled between them, and if relations as to interest have been clearly defined, with full legal appreciation for those interests and so on, then there is not a single issue, not even the organization of the armed forces, that could not be resolved with a little effort. Every sovereign unit of the confederation would quite naturally desire to materialize its sovereignty in an appropriate armed force. The confederal armed forces of the alliance could be created from those armed forces of the confederal units by agreement. So that if the federation, any part of it, or the whole were threatened by external aggression, it is quite clear that absolute unity and combat readiness of all the armed forces of the Alliance and the federal units would be attained against such aggression. That is clear. But it is also clear that each independent and sovereign unit-republic would be protected by its own armed forces against the possible hegemony of the other unit, and that is where the

problem lies for the present Serbian policy concerning a confederation. Of course, that is not all, there are many other issues involved, and also economic interests, that is, the greater rights of the majority nationality.

[Kruselj] From this distance in time, since the showing of the film on the arming of the so-called paramilitary formations in Croatia, how do you interpret this kind of activity by the KOS [Counterintelligence Service]. Whom did that film harm most: you or the military intelligence people?

[Spegelj] It was an ugly film and will be remembered as such by future generations. Many people were not familiar with the methods of the police, in this specific case the KOS, in totalitarian regimes. Those citizens, including both soldiers and officers, who have been a direct target of activity of the KOS know their methods only too well, but never have they been able to write a book or tell the story in such a way as to convey vividly to the entire public everything that happened to them. But then this film is something else. It gave the ordinary man an opportunity to see how the KOS operates. I was personally interested in its being shown several times for several reasons: The forgery and the way it is put together technically will become evident (I am not speaking, a voice overspeaks instead of me, words are spoken and my lips are not moving, and the other way around). Incidentally, I know a very large number of people all over Yugoslavia who know that by nature I am a man who is opposed to violence even with words, much less with weapons. That is one thing, and the other, the film needs to be seen because through it and in it one can see all the ugliness, the outdated Stalinist methods, and finally, one can truly see who is violating the Constitution and the law and trampling on elementary human freedoms.

Finally, it is of some importance that for the sake of that scenario they sacrificed a man who has three small children, and even though I forgive him, there remains the great question of his future. This is extremely inhuman.

The film hurt me deeply, but it did me no permanent harm. It certainly did hurt the military intelligence people because it unmasked them forever, but it did the

greatest damage to the prestige of the Yugoslav People's Army, which did not deserve to be deceived by extremists and groups holding alienated power.

[Kruselj] Arguments have been made in the press that there are three lines within the top military leadership. One is said to be the Titoist-unitarist line, the second the Serbian expansionist line, and the third line favors professionalization and complete depoliticization of the Army. In the light of your many years of experience as a general, do those assessments have real value, that is, which of them are really dominant in the Yugoslav People's Army?

[Spegelj] It is not a question merely of the top military leadership, but of the entire officer corps of the Yugoslav People's Army. Most of the talk is about the top military leadership, of course. It would be greatly oversimplified if we divided the lines, which evidently do exist, into two, three, or more parts. Sometimes the differences consist only of slight shades. Nevertheless, I would incline toward the thesis of a unitarist-nationalistic group and a second, in my estimate the most powerful in numbers and extent, which represents professionalism, complete depoliticization of the YPA, and that means subordinating the armed forces to the constitutional institutions of the political organization of the state. Why do I think that? This is why: Almost all European countries and countries outside Europe that have been successful not only in their economic, political, and governmental system, but also are very stable in the defense area, have arrangements for their armed forces that make them professional and completely depoliticized. In our country, by contrast, and also in certain other East European countries where the armed force wants to be an arbiter, there has been constant instability, a crisis of confidence, and a blockade of the political and economic system. Of course, one reason I say this is that I think I know the thinking of a large number of officers and generals, whose authentic interest is in peace, successful performance of their professional tasks, and the prosperity—material and nonmaterial—of their own family, homeland, republic, and a possible alliance of states. That is why I think that the extremist militaristic and dogmatic line will be more and more isolated, and it is obvious that that process is proceeding rapidly.

BULGARIA

Preparations for Civil Defense Maneuvers Reported

AU0304153391 Sofia TRUD in Bulgarian
29 Mar 91 p 2

[Article by Svetla Foteva: "Civil Defense Does Not Sleep"]

[Text] The nightmare of Chernobyl is still fresh in our memory. It continues to bother us. This prompted the beginning of the preparations for the "Zashtita [Defense]—'91" maneuvers, which will take place after the elections.

The activities began at 0730 [0530 GMT] with rescue exercises related to a simulated local accident at the Kozloduy Nuclear Power Plant. The exercise was attended by Aleksandur Tomov, chairman of the Permanent Governmental Commission on Natural Disasters and Major Accidents. At 1530 [1330 GMT], the members of the permanent governmental commission met at Civil Defense Headquarters. The meeting was chaired by Lieutenant General Mikhail Yovchev, deputy commander of Civil Defense and deputy minister of defense. Representatives of relevant ministries and departments presented the problems that emerged after the "accident." Some of the conclusions, such as a lack of sufficient defense means, evoked concern. However, let us not forget that this was only an exercise, and the alarming facts we heard were related to assumptions.

Today [29 March], when the entire country will already be "sealed," the concluding exercises related to eliminating the "accident" will be conducted.

HUNGARY

Parliamentary Committee Split on Border Defense

91CH0435B Budapest NEPSZABADSAG in Hungarian
7 Mar 91 p 4

[Article by A.Zs.: "Committee on National Defense Commended for Work Discipline"]

[Text] A committee of the whole house has rated the National Assembly's Committee on National Defense as the best in terms of work discipline and attendance, said Dr. Gyorgy Balogh, the chairman of the Committee on National Defense, at the committee meeting yesterday.

Speaking before the commencement of business, Imre Mecs (SZDSZ) [Association of Free Democrats], the committee's deputy chairman, dissociated his party from the statements made by Gyorgy Balogh on 28 February. The chairman of the Committee on National Defense had said that, with the cessation of the Warsaw Pact, Hungary's relations with neighboring countries would change, and attention would have to be devoted to those neighboring countries whose domestic political

situation was not orderly and reassuring. That applied to Yugoslavia and Romania. According to Mecs, the SZDSZ did not want the defense of Hungary's borders strengthened in any direction because the party did not expect any kind of action. In his reply, Dr. Balogh noted that he had been active in politics even before certain SZDSZ politicians were born.

After a debate that degenerated into personal remarks, Deputy Chief Prosecutor Dr. Sandor Nyiri turned to the first item on the committee's agenda: the chief prosecutor's memorandum regarding state and official secrets. Deputy Andras Paris (SZDSZ) objected to that point in the proposal which called for the Committee on National Defense and the Committee on National Security to meet mostly in closed session. He said that the Committee on National Defense should continue to meet in open session, and should order a closed session only when state secrets or confidential military matters were being considered. The question of whether to hold open or closed sessions again divided the committee; deputies of the governing party preferred closed sessions, while deputies of the opposition parties felt that open sessions would be more appropriate in principle. After the interpretation of the pertinent house rules, the committee took cognizance of Chief Prosecutor Kalman Gyorgyi's memorandum.

Citing state secrets, the committee then went into closed session to consider the new military doctrine of the Hungarian Army Air Defense Forces Aviation Main Directorate.

Shorter, More Demanding Military Service Starts

91CH0435A Budapest NEPSZABADSAG in Hungarian
6 Mar 91 p 5

[Unattributed article: "Conscripts Will Be Serving Closer to Their Homes"]

[Text] At a press conference that the commander of the Hungarian Army Ground Forces held yesterday in the Alba Regia Regiment's barracks in Szekesfehervar, it was announced, among other things, that military training and service for conscripts could be expected to be more rigorous because of the 30-percent cut in troop strength and the shortening of military service for conscripts to 12 months.

Lieutenant General Bela Gyuricza said that 11,729 conscripts joined the corps and units of the ground forces at the end of February. That was 300 fewer than the number of conscripts who received draft notices. Some of the 300 conscripts had requested to be excused, but 150 had not even reported at the barracks. The commander spoke of the financial benefits that the conscripts would be receiving. Their monthly pay will be 1,200 forints, to which various allowances will be added. An attempt had been made to adapt the new, shortened 12-month period of service to the conscripts who are now being discharged, by paying 7,600 conscripts so-called extended-service pay from November of last year

through February of this year. A total of 123 million forints has been disbursed for that purpose.

There are no final figures as yet on how many conscripts will be choosing to serve without arms or will be opting for alternate civilian service. But it is already certain that conscripts everywhere will be taking their military oath on 15 March. All those who have taken their oath will be granted 2.5 days' leave. Married conscripts will be entitled to home leave twice a month; single conscripts will

be able to get leave once a month. All conscripts will be assigned to units within a radius of between 100 and 150 km from their homes.

The system of admission for university and college students will cease; they will be reporting for military service after the completion of their studies. theological students will be the only exception; they have requested to be allowed to serve one month before the commencement of their studies, and the remaining 11 months after graduation.

CZECHOSLOVAKIA

Government To Help 36 Endangered Companies

AU0904094391 Prague HOSPODARSKE NOVINY
in Czech 4 Apr 91 p 2

[Report signed by "st": "Czech Republic Government on the Crisis of Enterprises"]

[Excerpts] At its meeting yesterday, the Czech Republic Government dealt with the present crisis of the enterprise sphere, caused by problems in selling its output on the home market and by the declining demand in the USSR, and with the resulting insolvency of enterprises. Czech enterprises' insolvency has now stabilized at a level of 50 billion korunas. [passage omitted]

K. Dyba, Czech minister for economic policy and development, told us that an across-the-board elimination of enterprise debts is out of the question. [passage omitted] Enterprises with good prospects and enterprises that represent the backbone of the economy (a total of 36 such enterprises have been preselected) will be offered a helping hand. On no account will this help assume the form of subsidies, but it will consist, for example, of mediating access for foreign capital, consultancy, etc. The possibility of introducing flexible working hours is being considered and the center is also trying to provide a clearer overview of investment activities.

In the first three months of 1991, industrial output in the Czech Republic declined 6 percent and building industry output as much as 30 percent. Some enterprises, such as Zetor Brno, for example, require an individual approach. Yesterday the Czech Republic Government decided to guarantee a loan of 1.4 billion korunas to Zetor to help it survive the worst period. Only an insignificant portion of this loan will be covered from the fund for offsetting economic losses incurred as a consequence of the Gulf war.

The government approved, furthermore, a subsidy of 120 million korunas for the Czech film industry, of which 20 million korunas are earmarked for investments, particularly for the reconstruction of the Film Institute. Czech Minister of Culture Milan Uhde told us that the subsidy will enable the production of four to six full-length films, plus some short and animated films. [passage omitted]

The Czech Republic Government expressed its agreement with the federal proposal for the accelerated development of communications. At the same time it voiced the demand that the import surcharge be eliminated, and customs be reduced to a minimum, until domestic manufacturers become capable of meeting the needs of communications. The government also adopted an important stand on the incompatibility of executing leading functions in the central bodies of state administration with activity in shareholding companies, in

which the state does not have a stake. This ruling will eliminate the danger of official information being illicitly used.

At a news conference held in the afternoon, Deputy Prime Minister F. Vlasak spoke about the situation of exports from the Czech Republic to the USSR. He said that, so far, only 30 percent of the volume of last year's deliveries has been placed on the Soviet market. The aim is to achieve at least 50 percent of the volume of last year's exports.

Ministry Officials Report Privatization Problems

AU0904131291 Prague CTK in English 1319 GMT
5 Apr 91

[Text] Prague April 5 (CTK)—Czech Trade Ministry officials said here today that Czech trading companies are economically disintegrating instead of seeking their new owners.

Speaking at a press conference about the main problems in the current privatization of shops and hotels, Czech Deputy Minister of Trade and Tourism Ivan Stern said that some representatives of privatization commissions see privatization as a form of political struggle against the old structures and use it as a weapon against the management of trading organizations.

Also present at the conference were Minister of Trade Vlasta Stepova and her Deputy Vladimir Hanzl. They said another problem was the absence of fixed boundaries between small and large privatization. This unclear situation, together with nationality disputes, discourage foreign capital from investments into the sphere of trade. The only foreign firm that had the courage to do so was the Dutch Ahold company which will open its first food shop in Czechoslovakia in Jihlava, south Moravia. Trade Ministry representatives believe that increasing the quality of shop services and establishing a proper competition environment requires the introduction of at least four similar chain stores all over Czechoslovakia.

Stern said that big international hotels are the chief attraction for foreign capital, which, he said, should be used to improve the surroundings and services. An example of this kind of privatization is the Prague Jalta hotel in which the Japanese Nomura company will have a stake.

HUNGARY

Kadar Views Soviet Trade Developments

91CH0484B Budapest FIGYELO in Hungarian
7 Mar 91 p 9

[Interview with Bela Kadar, international economic relations minister, by Robert Becsky; place and date not given: "Entering the Storm: Still 500-600 Million Rubles Worth of Exports?"—first paragraph is FIGYELO introduction]

[Text] One could hardly question the fact that the first place in an imaginary contest among 1991 crisis centers would be won by Eastern trade. How does International Economic Relations Minister Bela Kadar feel about the stormy events of the past weeks?

[Becsky] Another complication has been added to the ones involving letters of credit. Machine industry enterprises complain that the licensing of export shipments carried over from last year and accounted for in rubles was made more stringent. Presumably this is due to the fact that in January and February, Hungarian enterprises exported goods worth between 500 million and 600 million rubles. Thus, the total amount of our receivables increased to about 2 billion forints.

[Kadar] Pursuant to the Hungarian-Soviet interstate agreement signed last December, shipments based on contracts signed under private law and licensed in 1990 may be accounted for in transferable rubles during the first quarter of 1991. Conceivably, some enterprises chose the easy way out and instead of switching markets, delivered goods without a license, based on contracts consummated last year. For this reason, there may be significant differences between the value of exports delivered on the basis of export licenses and the amount reflected in the actual flow of payments. The Ministry of International Economic Relations is able to control only the issuance of export licenses, and it does exercise such control. Documents presented for payment are examined by banks, and shipments crossing the border are checked by customs authorities. Beginning this year, the Bank of International Economic Cooperation no longer maintains records, a new record keeping system is being developed. Thus, only later will we be able to see more clearly the events of the first two months.

[Becsky] Not only has it been just the enterprises that have criticized you. Most recently, in a NEPSZA-BADSAG interview Peter Medgyessy, the deputy president of the Nemeth government, raised questions about the government's management of the transition to dollar-based settlement.

[Kadar] Medgyessy has lasting merits regarding the preparation of transition. One may assume that he is also familiar with the circumstances which forced the transition. Certain Hungarian economists have warned for years the then prevailing governments about a narrowing Soviet demand and a deterioration in the Soviet Union's ability to pay once the crude oil boom is over. Based on these warnings, preparations for changing the point of gravity in the international economy should have been made earlier. The fact that it is difficult to cooperate according to the rules of free trade with a country which experiences crisis and which is not based on a market economy should not be news to an economist. This is one reason why the need to apply certain special methods arose, methods which may at least slow down the pace of decline in trade. Last summer FIGYELO published an NKGM [Ministry of International Economic Relations] forecast which predicted a between 20

and 25 percent reduction in 1990 Eastern trade, against far more optimistic estimates given by other government agencies. The actual reduction in our "Eastern" exports amounted to 27 percent.

[Becsky] On the other hand, the indicative list whose function it should have been to slow the pace of decline in trade with the Soviet Union did not function very well.

[Kadar] In the end, the signatories to the December 1990 agreement made certain commitments. Based on the indicative list, export and import trade would decline to a tolerable extent as compared to the previous year's levels. One could hardly have predicted that the Soviet Union was about to change the 60-to-40-percent sharing of convertible currency revenues between the central government and the various republics to 94-6(!) percent. Yet this is the situation today. One could not tell in advance that a presidential decree would prohibit barter trade.

[Becsky] On the other hand, many persons involved in this matter expect help from the state, irrespective of whether such expectations are well founded. In conflict with certain of your fellow cabinet members, you appear to be closer to the enterprise view in this regard.

[Kadar] Today's economic fortunes in Hungary are virtually split, firms geared to sell to the West prosper, while others geared to the East wither and vegetate. By now the Eastern trade ratio amounts to only 30 percent. Accordingly, we have gotten beyond the first phase of reorientation. But the present crisis still affects at least half a million employees, one-eighth of the gross industrial product, and represents an export shortfall of \$1 billion to \$1.5 billion.

Switching markets is fundamentally the job of enterprises. Quite a few affected firms do not wish to recognize this. How else could we explain that Ikarus has completed production of the 2,000 buses which appeared on the indicative list by the middle of February? The accelerated manufacturing process means that they are not working hard on seeking out new markets.

On the other hand, the government's job in this situation is to provide some help to enterprises which relied on Soviet demand with greater certainty, yet find themselves in a difficult situation by no fault of theirs. Such help should be consistent with GATT principles. We must chart those enterprises whose production culture has a long-term chance of survival in the Soviet market. This is also needed to permit these enterprises to receive export financing like the enterprises which compete with them in the West, and we must develop an export credit guarantee system.

[Becsky] And what should be the fate of those who were filtered out?

[Kadar] We can think of payment arrangements which enable exports and which do not require cash, to the extent of purchases made by Hungary. Hopefully there will be a chance to transact barter trade. Finally, depending on financial resources, funds which finance the market change could also support changes in the product and export structures. These can no longer be delayed. Such financing would involve collateral loans from the state budget, from lenders and from foreign funds. But I would still caution everyone against having illusions. The anticipated evolution of the East European economic process does not suggest an improvement in the Soviet Union's ability to make payments.

Proposed New Banking Law Summarized

91CH0484D Budapest FIGYELO in Hungarian
14 Mar 91 p 19

[Article by Dr. Imre Villanyi: "Banking Law Being Prepared"—first paragraph is FIGYELO introduction]

[Text] Lately, one hears more and more about the law concerning financial institutions and their activities. Here, we present a few of the essential new provisions of the legislative proposal, referred to as the "banking law" both by its framers and in common parlance.

Establishment of the bilevel banking system in 1987 is part of the background. Related rules (1986 amendments to the law on state financial affairs and the related implementing decree, as well as the Council of Ministers' decree concerning the supervision of banking institutions) took the first, albeit bumpy steps toward a banking system which conforms with international practice.

These provisions defined the basic principles for the "prudent" activities of financial institutions which conform with market discipline, but which at the same time, encourage the freedom of enterprise and high-level financial service provisions by banks. However, at the same time, these rules, which are still in force today, do not contain sufficiently detailed provisions for the pursuit of the activities of financial institutions and guaranties concerning the solvency of, and reserve requirements for financial institutions. Further, rules related to banking supervision need to be developed further and supplemented by additional rules.

The framers of the 80-page long and more than 100-paragraph legislative draft took into consideration the workings of various international financial institutions, as well as Common Market recommendations made in recent years in order to enable the Hungarian system of financial institutions to integrate with international banking activities.

The Activities

The first chapter of the law contains basic provisions. It defines the scope of authority. Accordingly, authority under this law extends to legal entities which perform the functions of banks and financial institutions within the

territory of the Hungarian Republic. The law does not cover the Hungarian National Bank, the central banks of other countries, and international financial institutions specified in the law, such as the International Monetary Fund, the World Bank, the European Reconstruction and Development Bank, etc. After defining its scope of authority, the law defines the concepts it refers to and the meaning of the term "activities pursued by financial institutions." These are as follows:

a) Acceptance of deposits from clients not defined individually, including the acceptance of savings deposits (depository transactions).

b) The granting of credits and loans (credit and lending transactions).

c) Provision of financial services, including the maintenance of bank accounts, the administration of payments and settlements not involving cash, as well as the operation of electronic transfer systems (bank account and settlement transactions).

d) Provision of bank guaranties and surety if obligations are to be discharged in the form of money (bank guarantee transactions).

e) (Commercial) buying and selling activities on the bank's own account or as agent (on someone else's account) regarding the following:

—The purchase of instruments bought and sold in the money market, (notes, checks), including the discounting of notes (discounting transactions).

—Foreign exchange transactions.

—Financial transactions involving deadlines and options.

—Transactions involving transferable securities, except the issuance and sale of securities, and relative to securities defined in Paragraph 2 Section (1) of Law No. 6 of 1990 concerning the securities exchange (securities transactions).

—Exchange transactions based on risks presented by interest rate and exchange rate differentials.

f) Purchasing accounts receivable (factoring transactions).

g) The issuance and payment administration of instruments which serve as substitutes for cash (e.g. checks, credit cards, travelers checks, etc.).

h) Financial leasing.

i) Services related to the composition of assets of enterprises, provision of capital to enterprises and to the restructuring and purchase of enterprises, as well as related advisory services.

j) Combined services related to the implementation of developmental plans, as well as related advisory services.

k) The public sale of securities subject to issuance exclusively by financial institutions (certificates of deposit, etc.) as defined in other law (securities trade transactions).

l) The acceptance of bank deposits, the management of securities and of deposits on securities, as well as of deposits related to investment funds.

m) Services related to the examination and verification of credit worthiness on behalf, and with the consent of clients.

n) The safeguarding of valuables, securities, etc. (safe deposit box business).

o) The exchange of money (money exchange business).

p) The conveyance of transactions involving money and loans (banking agent activities) provided that such activities are pursued regularly and as a matter of business.

The System

The significance of the above list of activities is that financial institutions are categorized (banks, specialized financial institutions, savings banks) on the basis of the activities pursued, and in part that certain activities (a) through c)) may be pursued only by financial institutions, while others are subject to licensing, and yet others may also be pursued by other legal entities based on a simple announcement. Of course, the law also establishes other conditions for the pursuit of the various activities.

The legislative draft provides a new classification for the various elements within the financial institutional system. These are: banks, specialized financial institutions, savings banks, groups of financial institutions, other legal entities also performing the functions of financial institutions, suboffices, and representative offices of banks. We call attention to the fact that as compared to the previous terminology, insurance companies are no longer part of the collective term "financial institutions."

The condition to be established by the banking law for the pursuit of financial institutional activities will be a requirement that banks and specialized financial institutions may operate exclusively in the form of stock corporations, and that savings banks may operate as either stock corporations or savings and loan associations. Except for nonvoting preferred stock, 100 percent of the stock issued for the original capital of financial institutions operating in the form of stock corporations must be inscribed stock.

The operations of a new financial institution may be authorized only if in addition to compliance with other conditions, the founders provide 2 billion forints of their own capital with respect to banks, 500 million forints regarding specialized financial institutions, and 100 million forints with respect to savings banks.

The proposal includes numerous novel features relative to the licensing of financial institutional activities, the owners, the management, the secure operations, the clientele and the auditing of financial institutions, the State Banking Supervision, the activities of representatives and agents of banks, as well as with respect to permissible state action in emergency situations.

New Banking, Privatization Adviser Interviewed

91CH0484C Budapest MAGYAR HIRLAP
in Hungarian 6 Mar 91 p 8

[Interview with Adam Batthyany, adviser to the prime minister with the title of ambassador and minister, by Emilia Papp; place and date not given: "Experience From Abroad—With a Ministerial Title"—first paragraph is MAGYAR HIRLAP introduction]

[Text] The adviser to the head of government received the title of acting minister. Adam Batthyany has already become a Hungarian citizen and has performed an increasing number of functions relative to banking affairs and privatization.

[Papp] To what do you attribute your appointment, and to what extent does your appointment represent a change in the work which you have pursued thus far?

[Batthyany] The title is to be used abroad. Whenever I try to persuade a potential industrial partner or investor to come to Hungary and to be a part of privatization it counts whether I am doing so out of personal interest or if I enjoy the government's support. Thus, my foreign partners will take me seriously because they will recognize that I made an official offer, something worthy of consideration. Otherwise they would think that as a businessman I was acting in my own interest.

[Papp] Could it be that after making the appointment, the government expected more from you?

[Batthyany] That I don't know. My original plans called for spending one or two days per week in Budapest, but now that I am becoming familiar with the various plans, cases, and tasks, I recognize how interesting and important these are. By now I'm spending a greater part of the week at the State Property Agency or in the parliament. But all of my assignments authorize me to provide advisory services only, I have no decisionmaking authority. I really do not want to have decisionmaking authority because in that case, I would have to spend all of my time here. Meanwhile, I am managing a business abroad.

[Papp] Your assignments have multiplied. As of late, you were elected to become a member of the Banking Committee, and you also have an office at the AVU [State Property Agency]. Based on your assignment, what kinds of banking and privatization issues are you dealing with?

[Batthyany] I agreed to become involved with the Banking Committee at the request of Katalin Botos. We

have not yet dealt with specific issues, but the banking law and the privatization of banks will certainly be on the agenda. We will support the incumbent minister with advice relative to the structure of banks. I must add here that people involved with banking in Hungary are very critical of their own knowledge, even though I can prove that the management of banks in Hungary is incomparably better than that in the neighboring countries. In conjunction with my business dealings I have been involved with Hungarian banks and other East European banks for several years. In Hungary we find good professionals at every level, they would be able to perform well in Western financial institutions. Once appropriate rules exist, and after the enactment of the banking law, real business and market conduct may be achieved in Hungary earlier than in other countries because we need not start out from a zero base. At the AVU I provide advice to Lajos Csepi. They seek my advice relative to certain major cases to find out how things like this were accomplished in Austria and Germany so that they need not reinvent things that have worked before.

[Papp] One hears of the slow pace of privatization over and over again, and that privatization should be accelerated. A great dispute evolved with respect to indemnification vouchers which also bear on privatization. What are your views regarding these issues?

[Batthyany] Privatization will have an impact on future generations, therefore one must allow time in order to make the best possible decisions. Once we sell the National Crude Oil and Natural Gas Trust [OKGT] to foreigners, we might as well say that the OKGT is gone forever. One must not think only in terms of short-term benefits regarding these matters. For example, it would be inappropriate to link the repayment of foreign debt to the privatization issue, as a result of which we would open the flood gates to foreign capital. In my view, it is appropriate to set a maximum limit of between 30 and 40 percent foreign capital share within all national assets. I do not wish to take a position as far as indemnification vouchers are concerned. I feel that it would be inappropriate for me to take part in various aspects of this debate even from a professional standpoint, because I am personally involved in this matter. For this reason, I do not become involved in reprivatization issues either; those are legal issues anyway. I would like to mention only one thing relative to an issue that arose: The trading of indemnification vouchers on the exchange, and the danger that may flow from such trading. The new owners may want to get rid of these vouchers for lack of confidence or for some other reason, and therefore the value of these vouchers would decrease. Nevertheless there are quite a few investors who have confidence in the Hungarian economy in the medium term and who would purchase these securities. This then could drive the price of these securities upward.

Regarding the exchange, a far more appropriate subject to be dealt with is the fact that nowadays, trading of Hungarian securities on the Vienna Exchange amounts to a hundred times the volume of Hungarian securities

traded on the Budapest Exchange. Foreign investors buy their Hungarian securities at the Vienna Exchange, not in Budapest. I could also say that this is a catastrophic situation.

Indemnification Vouchers: Legal Status Analyzed

*91CH0483A Budapest FIGYELO in Hungarian
28 Feb 91 p 13*

[Article by Dr. Imre Villanyi: "In the Works: The Sale of Indemnification Vouchers"]

[Text] In recent weeks, attention has been focused on the issue of indemnification, and as part of that, the indemnification voucher. The question of whether these vouchers constitute securities which may be sold on the exchange readily suggests itself. Several factors must be examined before providing an answer.

Above all, we should make clear that the relationship between the indemnification vouchers and the basic securities law (Law No. 6 of 1990 concerning the issuance and sale of securities, hereinafter: "Securities Law") is not clear-cut.

This law defines its own authority as follows: The authority of this law shall extend to the public issuance and sale of:

- a) Bonds (provided that the transfer of such bonds is not restricted by law or by the issuer).
- b) Stocks.
- c) Other securities which embody transferable rights and duties stemming from a legal relationship based on lending and borrowing or on membership between the issuer and the owner of such securities.

The concept of public issuance is defined in the Securities Law as the combination of three partial elements. These elements are: public offering (in the press or by advertising an offer to sell to the "public"), quotation, and public issuance (the first sale as a result of public offering) [as published].

The law also disclaims authority over the nonpublic issuance of securities otherwise under its jurisdiction, and with respect to the issuance and sale of some specific types of securities designated in the text of the law.

The Securities Law fails to define the concept of nonpublic (perhaps "closed," or "for a limited class of persons") issuance. In practice, this term means the sale of stock to a person or persons known in advance, but under no circumstance would such buyers be recruited through the press or by advertisements.

The question is whether the basic legal conditions underlying the indemnification vouchers may be perceived as a creditor relationship. (Most certainly, it cannot be perceived as a relationship established through membership.) Even if we applied some good intention and

responded in the affirmative, the question would arise as to whether the sale of indemnification vouchers could qualify as public issuance. At the same time, however, such sale would not correspond with the manner in which "nonpublic issuance" takes place (because at the time of issuance nothing is known about the future holders of these securities).

Based on the above, the dilemma may be summarized as follows: Even though the Securities Law defines both a positive and negative scope of authority, issuance of the indemnification vouchers is not covered by either of these scopes. The problem may be resolved with the help of two legal interpretations:

1. The positive jurisdiction (which clearly does not cover the issuance of indemnification vouchers) circumscribed in the law is obviously stronger than the exclusionary negative jurisdiction based on interpretation only.

2. Paragraph 6 Section (3) of the legislative proposal concerning indemnification vouchers provides that "the provisions of this law shall apply with respect to the issuance and sale of indemnification vouchers." One may assume that this provisions served the purpose of ruling out the application of the Securities Law.

One may ask whether indemnification vouchers could be sold on the exchange, particularly in light of the fact that the authority of the Securities Law which also provides for the exchange, does not extend to cover indemnification vouchers, provided that we accept the conclusions drawn above. In our view, in no way could this circumstance prevent the sale of indemnification vouchers at the exchange. The Securities Law contains no provision which limits the securities quoted on the exchange to those specified in the Securities Law.

Accordingly, the next question is whether rules applicable to the Budapest Securities Exchange permit the introduction of indemnification vouchers on the exchange?

Two aspects of the rules and regulations governing the exchange ("conditions applicable to the introduction and sale of securities on the exchange") are of interest from the standpoint of indemnification vouchers. We must examine special rules applicable to state securities on the one hand, and the general rules for quoting on the exchange, on the other.

With respect to state securities (more accurately: state securities as specified by the central budget) the rules and regulations of the exchange state that state securities issued by the central budget shall be introduced on the exchange upon request, automatically, and without charge. Requests to this effect shall contain the data pertaining to issuance. Various information requirements contained in the rules and regulations do not apply to the central budget or to securities issued by the central budget.

But the above described preferred opportunity to sell may be utilized only if a given security meets requirements contained in the general rules. First among these rules is the one which requires that "publicly sold securities may be introduced for trading on the exchange...." According to this rule, consistent with the previous finding which held that indemnification vouchers shall not be regarded as having been publicly issued, under the present circumstances there is no way in which indemnification vouchers could be traded on the exchange. It would be appropriate for the exchange to consider changing its rules to enable the trading of indemnification vouchers. One may assume that the exchange will do so, if the trading of, and the market for indemnification vouchers so warrants.

Smallholders Leader Urges Debt Rescheduling

*91CH0434A Budapest NEPSZABADSAG in Hungarian
7 Mar 91 p 7*

[Roundtable discussion of the national debt, conducted by Miklos Merenyi: "The History of Our Debt: Part 2"]

[Excerpt] [passage omitted]

Someone Is Responsible

Deputy Jozsef Torgyan, leader of the Smallholders faction in the National Assembly:

Criminal charges ought to be brought against all of those who are responsible for the huge debt of our country. The use of the conjunctive mode here is warranted because there has been no meaningful report so far on how this huge debt actually arose. Unless we take into consideration that the leaders of the Kadar regime had pursued policies which were at complete variance with the nation's interests. Therefore, I will propose that the National Assembly appoint a committee to investigate how our national debt arose. The committee would also be able to apportion blame. But the most important question at present is how to manage our debt, rather than whom to hold accountable.

In my opinion, the Antall government missed a historical opportunity when it failed to inform its Western partners interested in a change of regimes that it would not be responsible for the earlier obtained loans. From my experience as an attorney I know very well how effective a definite negotiating strategy can be, but if we accept from the very outset our negotiating partner's position, we can hardly expect any concessions. Of course, this does not mean that I am arguing in favor of refusing to repay our debt. However, I do think that, instead of debt servicing, a solution would be feasible under which, for instance, we would ship farm products to famine-stricken countries, and our Western partners, who are spending billions of dollars on aiding such countries anyway, would deduct these deliveries from our debt.

The debt burden is crushing this country, and it is impossible to repay such a huge amount. Some kind of solution must be found. Assessment of our country's financial situation is already fairly unfavorable, and it cannot get much worse if we negotiate a bit more firmly. [passage omitted]

ROMANIA

ALFA Alternative for Recovery Examined

91BA0460A Bucharest ADEVARUL in Romanian
29 Mar 91 pp 1, 5

[Statement by the Department of Political Analysis of Romania's Presidency on the "ALFA Alternative"]

[Text] By virtue of its prerogatives, the Presidency hereby takes note with interest of the ALFA Trade Union Cartel program entitled the "ALFA Alternative for a Democratic and Reunited Romania."

Submitted on 21 March 1991, the program highlights the trade unions' justified concern with identifying the best means of shifting to a market economy and for attenuating, as much as possible, the effects and costs implied in the process of transition.

The program by far exceeds the scope of trade union activities; even in the opinion of its authors it constitutes an alternative to the present government program, something that may suggest the intention of turning this trade union into a political party.

Having examined the contents of this alternative, we found that aside from some generally accepted ideas with which Parliament and the Constitutional Commission are intensively preoccupied, in our opinion some observations—especially about the economic reform—should be taken into consideration for the possibility of outlining a feasible socioeconomic program. Thus:

1. Although the "Alternative" is viewed as a sure path of transition to a market economy and as the perfect alternative, its authors failed to assess and examine the risks involved in its implementation, something that raises doubts about the validity of the criteria on which it was based.

2. Although the issue of privatization is central to the transition to a market economy, the tendency of focusing on it exclusively to the detriment of the other components of the reform program detracts from the coherence and viability of the alternative suggested. For example, there is no reference to the particularly complex programs of economic restructuring and to revising the technology of the various economic branches.

3. The theoretical basis for achieving a "democratic market economy" is surprisingly claimed to have been derived from the Cojocaru and Rugina doctrines, although as we all know, the two economists hold radically different views. Significantly, Professor Rugina

himself recently said that the "Cojocaru alternative" for privatization, although seemingly attractive, is extremely difficult to implement and promises dubious results from an analytical viewpoint, while from a scientific viewpoint it is far from offering a program apt to lead to the recovery and stability of Romania's economy and finances.

4. With regard to the matter of free distribution of the capital amassed in state and cooperative ownership among the country's citizens—the major point of the economic reform in the alternative presented—several considerations must be pointed out:

a) Changing the form of ownership alone cannot automatically yield the effects envisaged, especially since some of its aspects (efficiently utilizing the existing production capacities, ensuring a larger volume of goods and services) depend more on changing the technical and production structures—for which the investment factor is decisive. A forced transfer of the entire national patrimony into the property of the citizens, risks deepening the chaos and confusion among the people and the employees at the transition stage to a market economy. The implementation of this idea practically means adopting the extreme position of throwing all the difficulties onto the shoulders of the economic factors and the public, and releasing the state from every responsibility. The idea is utopic and unrealistic;

b) The basic idea serving as point of departure, that private property motivated by personal interest is sufficient to release resources that can abruptly resolve all the problems currently affecting the Romanian economy, in fact demonstrates insufficient understanding of these realities;

c) The expectation that a sense of property, and interest in exercising it, can be revived by the mere holding of some stock, is merely hypothetical in conditions where the decisionmaking power in public companies remains in the hands of a board of administration. There is no guarantee that the behavior of the people—the supposed entrepreneurs or stockholders—can be changed en masse, nor that the economy will operate normally in the absence of varied and appropriate forms of organization of various activities;

d) Although it claims to be based on the principle of social fairness, because of the action of various factors (the public's tendency to consume, the devaluation of stock and of the national currency, etc.) there is an extremely serious risk that the actual effects will be the reverse of those planned, namely, that the wealth will end up in the hands of a few holders. Consequently, this alternative may well become a source of social inequality and the means by which residents or foreigners who now possess large amounts of money can rapidly acquire the entire social capital;

e) Giving people property for the purpose of ensuring competition by "rapidly creating a large number of private enterprises," is an equally unrealistic hypothesis

that cannot serve to eliminate the producer's monopoly, disloyal competition, and profiteering, because of the current configuration of the economic structures and the large size of most enterprises;

f) Dismantling the current state farms, agricultural machinery stations, pilot farms, and other similar units, as entailed in the "alternative," can be a very dangerous adventure for the agriculture and for ensuring market supplies of basic agricultural and food staples (for example, sugar, oil, flour, etc.). The suggestion demonstrates a rash assessment of the consequences of such a measure;

g) Protecting the citizen through the action of the state as a "protective agent" exclusively by wielding fiscal tools and the state budget, is a necessary but not sufficient condition for protecting the society as a whole and the

general interests of the nation. Especially during a transition period, such a system must be accompanied by a general long-term strategy and by appropriate policies designed to correlate macroeconomic factors and preclude structural imbalance among the various sectors of activity.

If there are argued grounds for the measures proposed, and, of course, if opportunities exist for a constructive dialogue, one welcome solution would be, in our opinion, to debate the ALFA alternative—as in fact any other alternative—with a circle of experts in economic and privatization matters. Such discussions can be organized, for example, under the aegis of the Romanian Academy, or the National Institute of Economic Research, for the joint purpose and aim of agreeing on the optimal alternative capable of standing up in the confrontation with the current, particularly complex problems of the Romanian economy.

BULGARIA

Cabinet Allows Inflation Compensation for Students

AU0804093791 Sofia DUMA in Bulgarian 2 Apr 91 p 1

[Report by Evgeni Gavrilov]

[Excerpts] At its session on 1 April, the Council of Ministers decreed that students over 18 who do not have grants will receive monthly compensation payments of 100 leva for the period 1 February to 1 July. University students with no grants can count on receiving 130 leva as compensation for the month of March. The decree, issued as a supplement to Decree No. 8 on Price Liberalization and Social Protection, provides 90 leva as compensation for citizens working abroad who receive their salaries in nonconvertible foreign currency. Citizens employed abroad who receive 45 percent of their pay in leva and the remainder in nonconvertible currency can count on receiving compensation of 120 leva. [passage omitted]

The government prohibited the destruction of documents of a confidential nature without a permit issued by the State Archives Fund. Until new regulations on preserving state secrets are approved, it is forbidden to destroy confidential documents without written permission from the Main Archives Administration.

In the view of Emiliya Maslarova, minister of labor and social welfare, the repeal yesterday [1 April] of a number of legislative documents connected with determining wages was the final partial step in this field. Minister Maslarova explained that, as of 1 June, such documents will become superfluous because, on this date, the system of fixing wages by negotiation will come into force.

HUNGARY

Schools Said To Lack Funds, Good Managers

91CH0438A Budapest NEPSZABADSAG in Hungarian 7 Mar 91 p 9

[Article by Eva Gyarmati Szabo: "Enterprising School Principals"]

[Text] Lately one hears with increasing frequency of fears that many a school will become unable to operate by the next school year. Many local governments are helpless because they lack funds to support their schools. Therefore, more and more school principals are coming to the conclusion that the principle "help yourself, because no one else will" must be applied also in practice. Urgently, moreover, before it is too late.

The Fence as a Billboard

The lack of money is forcing school principals, at least the enterprising ones, to use ingenuity. Mrs. Laszlo Deli,

the principal of the No. 6 General School in Budateteny, is a good example. She grew tired of seeing her institution excluded year after year from the investment plans, because "it is not worth wasting money on a school with prefabricated temporary classrooms, when it will soon be getting a regular building of its own." Therefore she placed her school's fence "on the market," offering it as a billboard to 23 enterprises, in exchange for cash or similar payments. Her persistence (she felt she had nothing to lose) paid off because, finally, in the MUSZI [Office for the Organization of Agricultural Business Management] she found a customer for an idea that had been regarded as eccentric. In this way the school, although it still has to wait for its new building, has been able to add a calculator, a typewriter and a copier to its equipment.

I am convinced that the schools should not be driven into business ventures as the only possible solution to their predicament, because sooner or later that would affect the quality of the teachers' work. But neither is it possible to categorically deny them this opportunity today. To help school principals find the best possibilities, however, they must be trained to do so in accordance with the altered situation.

A Training Course in Netherlands

In Hungary it is not yet possible to train enterprising school principals of the type that will be needed to manage the schools of tomorrow. The reason must be sought in the traditions of training managers up to now; more emphasis was placed on political training than on professional training. Although there have always been both demand and initiative for modern knowledge of a different sort, their scope has been very limited. Such as the training course for managers that the Ministry of Culture and Education announced last fall, and which is to be held in Netherlands. Experts anticipate that if the training course proves successful, the system in Netherlands could become the starting point of a new program for the training of educational managers in Hungary.

Located in Amsterdam, the Dutch School for the Training of Educational Managers has invited specifically Hungarian teachers to an eight-week training course that will start at the beginning of March. The Dutch Government is covering all the costs, including travel expenses, room, and board. Applicants must be under 45 and must know English. They have to submit a curriculum vitae in English, as well as a professional program and an essay on the problems of managing schools in Hungary. There are 86 applicants from various localities in Hungary, and 26 of the essays have been judged satisfactory in every respect, but only 15 applicants can go to the training course.

Expertise Rather Than Cash

Selection of the applicants who will go to the training course took place recently at the National Institute of Public Education, under the supervision of Ingrid

Boland, an organizer from the host institute. Responding to our question as to why the Dutch Institute for the Training of Educational Managers chose this form of assistance, and why specifically Hungary has been selected, she replied that this form of assistance has proven the most effective in cooperation between West European universities, in which Dutch and Hungarian institutions also are participating. In addition to the Hungarians, incidentally, they are giving similar assistance in the training of school managers also to the Poles and the Czechs, i.e., in recognition and support of the efforts of the countries that are leading the democratic transformation.

"The point is that within the framework of the Western aid we are receiving for the development of education,

the Dutch are giving us professional knowledge and expertise, rather than cash," added Gabor Halasz, the scientific director of the National Institute of Public Education, which has undertaken the preparations here at home for the training course in Netherlands. "Here at home we do not have real systematized knowledge of the training of managers. For instance, knowledge of managing programs at the institutional level is completely lacking. That is why we are attaching such great importance to this training course. Its purpose is by no means just to teach principals how to raise and manage funds. The most important thing is to change their thinking, in line with the new situation. After all, we want to enable them to use their independence, because that is the way of the future. We need managers who are able to think and to take full advantage of their opportunities."

NTIS
ATTN: PROCESS 103
5285 PORT ROYAL RD
SPRINGFIELD, VA

22161

This is a U.S. Government publication. Its contents in no way represent the policies, views, or attitudes of the U.S. Government. Users of this publication may cite FBIS or JPRS provided they do so in a manner clearly identifying them as the secondary source.

Foreign Broadcast Information Service (FBIS) and Joint Publications Research Service (JPRS) publications contain political, military, economic, environmental, and sociological news, commentary, and other information, as well as scientific and technical data and reports. All information has been obtained from foreign radio and television broadcasts, news agency transmissions, newspapers, books, and periodicals. Items generally are processed from the first or best available sources. It should not be inferred that they have been disseminated only in the medium, in the language, or to the area indicated. Items from foreign language sources are translated; those from English-language sources are transcribed. Except for excluding certain diacritics, FBIS renders personal and place-names in accordance with the romanization systems approved for U.S. Government publications by the U.S. Board of Geographic Names.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by FBIS/JPRS. Processing indicators such as [Text] or [Excerpts] in the first line of each item indicate how the information was processed from the original. Unfamiliar names rendered phonetically are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear from the original source but have been supplied as appropriate to the context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by the source. Passages in boldface or italics are as published.

SUBSCRIPTION/PROCUREMENT INFORMATION

The FBIS DAILY REPORT contains current news and information and is published Monday through Friday in eight volumes: China, East Europe, Soviet Union, East Asia, Near East & South Asia, Sub-Saharan Africa, Latin America, and West Europe. Supplements to the DAILY REPORTs may also be available periodically and will be distributed to regular DAILY REPORT subscribers. JPRS publications, which include approximately 50 regional, worldwide, and topical reports, generally contain less time-sensitive information and are published periodically.

Current DAILY REPORTs and JPRS publications are listed in *Government Reports Announcements* issued semimonthly by the National Technical Information Service (NTIS), 5285 Port Royal Road, Springfield, Virginia 22161 and the *Monthly Catalog of U.S. Government Publications* issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

The public may subscribe to either hardcover or microfiche versions of the DAILY REPORTs and JPRS publications through NTIS at the above address or by calling (703) 487-4630. Subscription rates will be

provided by NTIS upon request. Subscriptions are available outside the United States from NTIS or appointed foreign dealers. New subscribers should expect a 30-day delay in receipt of the first issue.

U.S. Government offices may obtain subscriptions to the DAILY REPORTs or JPRS publications (hardcover or microfiche) at no charge through their sponsoring organizations. For additional information or assistance, call FBIS, (202) 338-6735, or write to P.O. Box 2604, Washington, D.C. 20013. Department of Defense consumers are required to submit requests through appropriate command validation channels to DIA, RTS-2C, Washington, D.C. 20301. (Telephone: (202) 373-3771, Autovon: 243-3771.)

Back issues or single copies of the DAILY REPORTs and JPRS publications are not available. Both the DAILY REPORTs and the JPRS publications are on file for public reference at the Library of Congress and at many Federal Depository Libraries. Reference copies may also be seen at many public and university libraries throughout the United States.